

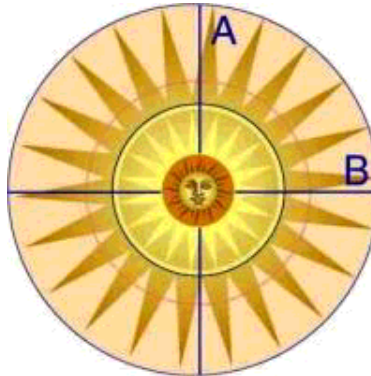
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## **A Conversation About The Popsicle Index**

by Catherine Austin Fitts

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*Scoop / From The Wilderness*



### **Contents**

- The Popsicle Index
- How do We Organize Our Performance Around the Popsicle Index?
- How do We Vote for the Popsicle Index with Our Money?
- How do We Vote for the People Who Help the Popsicle Index with Our Money?
- How do We Determine How Our Money Works to Impact the Popsicle Index?
- How Can We Profit When the Popsicle Index goes Up?
- How Can We Get Out of Debt and Into Equity?
- How Can We Use the Popsicle Index for Slug Management?
- How To Make The Popsicle Index Go Up

When I was a kid, the way our neighborhood would figure things out is by sitting on the stoops in front of our homes and having a conversation. Some conversations lasted an evening, some conversations went on all summer and some --- like who was a better hitter, Ted Williams, Willie Mays or Hank Aaron --- were still going on when I left town. Conversations were our way of finding out what gave us meaning. Conversations helped us understand problems and find solutions. Conversations were how we got smart because no one was as smart as all of us.

My interest lies in developing economic and money maps and tools that will help us reengineer our investment of time and money to support sustainable spiritual solutions. Integrating spiritual principles into our every day management and transaction of resources is a necessary step to realizing the blessings and avoiding the risks of our new technologies.

The economic models that we used in an industrial age organized around central banks and ever more fiat currency and public and private debt and warfare are not compatible with the developments of the last three decades. New technology increases our interdependency. That

increases the damage that our mistakes, our coercive tactics and our absence of transparency can do to each other. There is no sense integrating microchip, microwave, fusion and satellite/space technology into an old "win-lose" economic model in which people keep their conversations to themselves and do not share their maps and tools. We get a big mess --- even lose our civilization and planet.

Edward Deming once said, "There is no such thing as bad people, just bad systems." That's my approach. While a jail term is a more appropriate response to the Clinton and Bush families Iran Contra criminality than the rewards they seek and receive, punishment and scapegoating in and of themselves are not transformative strategies. Changing our incentive systems are.

Our current financial system encourages bad behavior. People who use "Narco Dollars" to finance their merger deals or their presidential campaigns get ahead. Part of the reason is that the corruption has become deeply embedded in our financial system. The problem is all of us. There are more people in America addicted to drug money --- whether drug industry jobs and profits, purchases, investments, fees, related real estate profits or campaign donations --- than there are addicted to drugs. That means people face an increasingly widespread resistance to doing things right.

I am a high performance, ethical person whose firing by the Bush Administration was on the front page of the *Washington Post*. I and my shareholders had \$250 million of equity in my investment-banking firm and my personal financial assets were targeted and destroyed by the Clinton Administration and one of their professional informants, Ervin and Associates. I speak from experience when I say that that the financial incentives of leading an ethical professional life in Washington and on Wall Street are reaching new all time bi-partisan lows. The solution is not for everyone to stand up and be a hero at extraordinary personal cost. The solution is systemic change.

Until we can make sure that men and women can protect their family's financial and physical security by doing the right thing safely, where they live, a spiritual transformation is going to be a slow, sticky process and integrating alternative energy and other critically needed new technologies are going to be problematic. I am editing this column at my mother's kitchen table near my home in Hickory Valley, Tennessee. I completed the first draft of it in my office in the Edgewood community in Washington, D.C. I live and work in Hickory Valley, Edgewood and my childhood neighborhood of West Philadelphia because the solution will come from the porches and stoops along Main Streets of both city and country. It begins with a conversation about the Popsicle Index and how we create jobs and build equity for ourselves that will make Popsicle Index go up.

### **The Popsicle Index**

What's the Popsicle Index? The Popsicle Index is the % of people in a community who believe that a child can leave their home, go to the nearest place to buy a Popsicle and come home alone safely. When I was a child growing up in West Philadelphia in the 1950's, the Popsicle Index was 100%. We were a modest neighborhood, even poor by some standards. But we were rich in safety. Today, after years of federal government supported drug trafficking and subsidy and loan programs, the moms in my old neighborhood probably feel

the Popsicle Index is about 0%.

Friends and family sometimes say to me, but the crime rate is dropping steadily. My response is that national averages have their place but they don't apply in specific cases. There are 73,000 neighborhoods in America and what counts is each one, one-by-one. Moreover, the Popsicle Index is not about statistics and it's about a lot more than crime.

The Popsicle Index is about how people feel. Our feelings are real. Our feelings and our thoughts invent our world. Our feelings determine how we vote with our money in the marketplace with our purchases, bank deposits, media attention or investments or with our ballot at the polls. Crime may be down, but any mother or father knows it takes twenty years to raise a child and all it takes is one incident for a child to lose their life, their peace of mind or their soul. Moreover, even when reported crime is absent, the Popsicle Index can still be very low. A lot of kids can die from cars driving through a community too fast because the roads are poorly designed and people don't care much about each other. The absence of evil does not ensure the presence of love. Conscious love is what must be present continuously to raise healthy and safe children.

Here are some questions about the Popsicle Index for you. My prayers are that these questions will help inform your feelings about what is causing your Popsicle Index to rise and fall. From there you will start to identify what your opportunities are to save time, save money and to create new jobs for you, your family and neighbors by getting the Popsicle Index rising and safely removing from your life the things that cause it to fall.

### **How do We Organize Our Performance Around the Popsicle Index?**

Every evening, the nightly news touts the performance of the Dow Jones index as a unifying indicator for how corporations are doing in the stock market. Our corporate wealth is only part of our wealth. We need a similar performance indicator to help us organize and focus our investment in our people and their 73,000 communities, our schools, our infrastructure, our small businesses and farms, our homes and community real estate and land.

### **How do We Vote for the Popsicle Index with Our Money?**

In a healthy financial system, everyone in the system profits from helping the Popsicle Index go up and loses sales and investment when their actions -- or the actions that they and their investors cause government to make -- cause the Popsicle Index to go down. That is why we need to use our purchases, our media dollars and attention, our bank deposits and our stock market investments like a vote and "vote with our money." This is also why we need to find currencies that work for us, like community currencies or gold money or barter and transaction systems and why we need to reduce our debt and build our equity.

### **How do We Vote for the People Who Help the Popsicle Index with Our Money?**

One of the things that is most distressing to me personally is to see friends and family honor, admire, associate with, even date or marry people who make money by doing things that cause the Popsicle Index to go down. America loves a winner. We hate the Popsicle Index being low, but we most admire the folks with the money --- and often that money comes

from the reinvestment of the profits of organized crime and government corruption. In particular, why do we support politicians and government officials who allow a low Popsicle Index after we have paid a small fortune in taxes for a high Popsicle Index? Accountability requires politicians and government, enforcement and military officials and their corporate vendors and contractors be held to a 100% Popsicle Index standard.

### **How do We Determine How Our Money Works to Impact the Popsicle Index?**

We can only manage what we can see. Democratic process and healthy markets require sunshine. Only roaches prefer the dark. An essential step to reengineering our investment around the Popsicle Index is community level financial disclosure. The citizens of 73,000 communities in America each need to share simple "maps" on how all the money and resources work in each one of our communities. That is why my efforts to build Community Wizard were targeted by Ervin and the government. I have never seen a citizen who was not transformed by learning about the sources and uses of all federal, state and local spending, credit and regulation in their neighborhood and who was the winner and loser in the process. Transparency also requires honest currencies, something that will only happen if we take matters into our own hands.

### **How Can We Profit When the Popsicle Index goes Up?**

Right now the single biggest moneymaking opportunity in America is the profit potential on making the Popsicle Index go up. If we own homes, businesses and farms in a community with a low Popsicle Index and we figure out how to get it to go up, guess what will happen? A lot of people will make money. We will make money. What organized crime can destroy for a profit, we can rebuild for a profit if we can figure out how to generate sufficient profits to manage the expense of dealing with organized crime's control and influence over our government, law enforcement and courts.

### **How Can We Get Out of Debt and Into Equity?**

The primary source of financing large companies is equity capital. It comes through the stock market -- from our pension funds, 401(k)'s and other savings. The primary source of financing communities, including small businesses and homes, is debt. That means that communities -- whether schools, infrastructure, small businesses, farms or homes and locally owned and controlled land -- must pay far more to operate than corporations. It means that corporations can outgun communities in the political process, survive hard times, buy small businesses up cheap and attract our top talent --- all because they enjoy a discount monopoly on our retirement savings. No neighborhood and no democracy consisting of about 73,000 neighborhoods can be healthy with this handicap.

### **How Can We Use the Popsicle Index for Slug Management?**

I divide people into three categories: performers, followers and slugs. Performers are people who give more energy than they take. Followers are people who take as much energy as they give. Slugs are people who take more energy than they give. CIA drug traffickers and the people who help them like John Ervin and his attorneys are slugs. People who make money through HUD fraud and corruption like John Ervin and his attorneys are slugs. Anyone can

be a performer or a slug. We decide what kind of person we are. The problem with scapegoating and any non-performance based approach is that it creates barriers. The barriers prevent diverse performers -- from different sexes, races, religions, technical and professional disciplines, and creeds from collaborating on effective "slug management." We need unifying high performance strategies that allow all Americans to collaborate in positive ways if we are to free ourselves from the slugs draining energy in our midst.

### **How To Make The Popsicle Index Go Up**

A theme that will reoccur again and again over the coming months is "The Pop." What is The Pop? The Pop is the increased value of equity that stocks enjoy when they can be priced and traded in an open, liquid stock market.

Today, corporations take advantage of the Pop to get low cost equity capital. The inability of small businesses and farms, community infrastructure and residential real estate cooperatives to access and use The Pop is one of the most significant forces working against democracy -- and the Popsicle Index. When access to equity capital is rigged for the benefit of the few by the legal system and supported by dirty tricks of law enforcement and intelligence agencies, the markets that depend on the "rule of law" and the "rule of performance" can and must eventually fail.

To learn more about how a rising Dow Jones Index has been bought historically at the cost of a falling Popsicle Index, read my articles "Narco Dollars" and "The Myth of the Rule of Law." To learn more about how we can get the Dow Jones Index and the Popsicle Index rising together, read my article, Solari and the Rise of the Rule of Law.

(Note email readers follow these URLs:

Narco Dollars -- <http://www.ratical.org/co-globalize/narcoDollars.html>

The Myth of the Rule of Law -- <http://www.ratical.org/co-globalize/CAFmrl.html>

The Rise of the Rule of Law -- <http://www.sandersresearch.com/html/MappingtheRealDeal/CAFAugust02/CAF080802.htm>)



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For a comprehensive bio of Catherine see [http://www.solari.com/about/ca\\_fitts.html](http://www.solari.com/about/ca_fitts.html)

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