

The Jamie Index

Construction Methodology & Analytical Framework

A Geopolitical Risk Index for US–Russia Crisis Probability

This document describes the analytical framework, measurement architecture, and evidential basis of the Jamie Index. It is published as a public-facing overview of what the index measures, why the methodology is valid, and how it differs from existing geopolitical risk instruments. Indicator weightings, scoring criteria, and operational details are proprietary and available to institutional licensees under separate agreement.

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SECTION 1

The Problem: What Existing Indices Miss

Geopolitical risk measurement has matured considerably since Caldara and Iacoviello published their foundational GPR Index in 2016. Academic instruments have proliferated; financial institutions from BlackRock to BBVA now publish their own geopolitical dashboards. Yet the landscape of available tools shares a structural limitation that leaves a critical analytical gap unexplored.

Existing instruments measure geopolitical risk broadly.

The Caldara–Iacoviello index counts newspaper articles across ten publications, tallying references to war, nuclear threats, and terror acts. BlackRock's indicator measures market attention to ten named risks via brokerage reports. These are genuinely useful signals — but they are breadth instruments. They aggregate global geopolitical noise into a composite reading. They do not model the causal mechanism by which specific internal conditions in one country produce specific aggressive opportunities for another.

Existing instruments treat their input variables as independent.

Where composite indices combine multiple risk factors, they typically aggregate them via weighted averages, implying that each variable contributes independently to the composite risk score. This is analytically incorrect for the specific dynamic the Jamie Index measures. Russian opportunistic aggression is not independent of US institutional coherence. Russia's strategic calculus shifts in direct response to its assessment of US internal stability. An index that treats these as independent will systematically misestimate the conditional probability of crisis.

Existing instruments do not produce actionable, scalar investment signals.

A narrative risk assessment — however sophisticated — does not answer the portfolio question. What position does Jamie Index 63 imply for Brazilian real asset allocation? What would Jamie Index 75 require? The Jamie Index is built from the outset to answer these questions in each monthly edition.

GAP SUMMARY

No existing instrument provides: (a) a scalar, monthly-updated probability score for the specific US–Russia crisis dynamic; (b) a conditional probability architecture that captures how US institutional fracture feeds Russian opportunism; (c) a named, persistent index with a documented track record and falsifiable predictions; or (d) direct integration with an investment positioning framework.

SECTION 2

The Analytical Framework: The Jamie Scenario

The Jamie Scenario was developed in March 2024 as a structured geopolitical risk framework built on a specific causal thesis about Western institutional vulnerability and Russian strategic doctrine.

"Markets systematically underestimate institutional fragmentation risk within the United States and across Western alliances. This creates exploitable strategic vulnerabilities. Adversarial state actors — particularly Russia under Putin's leadership — possess both the capability and demonstrated willingness to leverage periods of Western internal disarray for aggressive action."

This thesis is grounded in two bodies of evidence. First, the historical record of Russian strategic behaviour under Putin: the 2008 Georgia war (launched during a US election cycle and NATO enlargement debate), the 2014 Crimea annexation (exploiting Ukrainian political crisis and Western attention to Syria), and the 2022 full-scale Ukraine invasion (preceded by sustained assessment of Western will and institutional coherence). In each case, Russia moved when it assessed the window of Western response as diminished.

Second, the structural literature on institutional fragility in democratic systems under stress. The conditions under which an executive can undermine or circumvent military and intelligence command structures are well-documented historically. When these conditions obtain, they reduce the credibility of deterrence threats — both in the eyes of adversaries and in the practical capacity to execute military responses.

The framework operationalises this thesis through three sequential Markers — observable, falsifiable events that represent meaningful thresholds in the causal chain:

MARKER	DESCRIPTION	OBSERVABLE THRESHOLD	STATUS
I	Trump wins the 2024 presidential election	Electoral college confirmation	● Confirmed
II	Violent breakdown between US President and military/intelligence community ensuring the 47th President does not complete term	Constitutional crisis over military command authority; invocation of 25th Amendment or removal	● Tracking
III	Russia exploits US internal strife to attack the West	Russian military action against NATO member territory or strategic nuclear escalation against a Western target	● Monitoring

The term 'violent' in Marker II denotes institutional violence — a constitutional rupture of the kind that would prevent normal presidential term completion — rather than physical violence, though physical violence would satisfy the threshold. The observable threshold is deliberately set at a high bar: the Jamie Index measures the trajectory toward this threshold, not the threshold itself.

The sequential logic matters. Marker II is the precondition for Marker III. Russia does not need to wait for Marker II to be fully confirmed before adjusting its posture — it begins recalibrating its opportunism window as Marker II deteriorates. The Jamie Index captures this continuous trajectory, not just the binary outcome.

SECTION 3

Methodology: The Conditional Architecture

The Jamie Index is a composite of two sub-indices linked by a conditional probability relationship. This is the methodological feature that distinguishes the Jamie Index from all existing geopolitical risk instruments.

Sub-Index Structure

The Marker II Sub-Index measures Executive–Security State Fracture Risk: the probability that the institutional relationship between the US presidency and the military/intelligence establishment deteriorates to the point of constitutional crisis. It is constructed from observable indicators across four measurement domains, scored monthly against defined severity criteria, and normalised to a 0–100 scale.

The Marker III Sub-Index measures Russian Opportunistic Aggression Risk: an assessment of Russia's capability, posture, and strategic opportunity to exploit Western institutional weakness for aggressive military or nuclear action. It is constructed from observable indicators across four measurement domains, scored monthly, and normalised to a 0–100 scale.

The Conditional Principle

The critical insight is that Marker III is not independent of Marker II. Russian strategic opportunism expands as US institutional deterrence contracts. This is not merely a correlation — it reflects a documented mechanism: Russian state actors monitor US institutional coherence closely, adjust their public rhetoric in response to signs of fracture, and have historically moved when they assessed the deterrence window as open. Conventional composite index construction (simple weighted average) would miss this mechanism. The Jamie Index's conditional probability formula explicitly models it.

THE CONDITIONAL PROBABILITY PRINCIPLE

The Jamie Index computes conditional crisis probability as: the probability of Marker II materialising, multiplied by the probability of Marker III given that Marker II has materialised. This captures the core mechanism: elevated US institutional fracture directly raises the conditional probability that Russian aggression will crystallise into crisis, even when Marker III conditions are below their historical maximum.

Composite Score

The headline composite score (0–100) is a weighted combination of the two sub-indices. Marker II carries higher weight because it is the precondition and lead indicator — Marker III cannot materialise at scale without significant Marker II deterioration first. This weighting is fixed and does not change between editions.

The composite score and the conditional probability calculation are independent outputs from the same underlying data: the score measures structural severity; the probability measures what those conditions imply for crisis materialisation. The composite maps to five communication bands:

RANGE	BAND	SIGNAL
0–20	Low	Stability scenario. Institutional norms holding. Standard portfolio allocation.
21–40	Moderate	Stability–Volatility transition. Initial asymmetric hedging positions warranted.
41–60	Elevated	Volatility scenario. Meaningful allocation to asymmetric hedges. Brazilian real assets positioned.
61–80	High ← Now	Volatility–Disruption transition. Accelerated positioning. Capital preservation priority.
81–100	Critical	Disruption–Crisis. Full crisis positioning. Maximum allocation to geographic dislocation and real asset foundation.

SECTION 4

Measurement Domains

Each sub-index is built from four measurement clusters. The clusters structure the analytical territory and ensure systematic coverage. Specific indicators within each cluster, their weightings, and the data sources used to score them are proprietary. The domain structure is public.

Marker II — Executive–Security State Fracture

Personnel Disruption

Tracks the rate, character, and pattern of departures of senior Senate-confirmed defence and intelligence officials. Distinguishes forced firings from resignations and normal rotation. Monitors loyalty-based appointment patterns and circumvention of confirmation processes. This cluster captures the most visible and measurable form of command structure degradation.

Command Chain Integrity

Monitors the practical coherence of the military command structure. Tracks public disagreements between the executive and uniformed military over the legality or wisdom of orders; legal challenges to executive military authority; and operational security failures including use of unsecured communications for classified planning. This cluster measures whether commands can be issued and executed reliably.

Legal & Constitutional Friction

Assesses the degree of executive–judicial conflict over military matters, including ignored court orders and claims of unreviewable military authority. Monitors Congressional alarm through bipartisan Armed Services Committee activity, classified briefing requests, and constitutional crisis language. Tracks the most severe constitutional indicators: Insurrection Act invocations, martial law discourse, and state–federal military disputes.

Chilling Effect

Captures the aggregate institutional morale and self-censorship dynamic within the military and intelligence communities. Tracks unusual resignation patterns, recruitment and retention data, retired

officer public participation, and whistleblower retaliation evidence. This cluster measures the downstream institutional consequence of the preceding three domains — the extent to which the culture of the security establishment has been affected by external pressure.

Marker III — Russian Opportunistic Aggression

Nuclear Posture

Monitors the status and integrity of arms control agreements; changes to Russian nuclear doctrine including threshold and trigger definitions; forward deployments of tactical nuclear systems and IRBM-capable platforms near NATO borders; and strategic force readiness indicators including bomber, ICBM, and SSBN activity. Given the ultimate nature of nuclear risk, this cluster carries the highest weight in the Marker III sub-index. The Cuban Missile Crisis calibration (Section 6) establishes empirical upper bounds for this cluster.

NATO Cohesion

Assesses the practical integrity of the Western alliance as a deterrent framework. Monitors the status of US-allied intelligence sharing; Article 5 credibility signals including senior US official statements and allied public opinion polling; and alliance unity on the sanctions, Ukraine support, and engagement postures that constitute the collective Western response to Russian aggression. In 1962, this cluster was a near-zero suppressor of crisis risk. Its current elevation is the structural difference between 1962 and 2026.

Russian Military Positioning

Tracks direct observable indicators of Russian military posture toward NATO: airspace violations, direct force contacts, submarine activity, and drone incursions. Monitors hybrid warfare tempo including undersea infrastructure sabotage, shadow fleet operations, and cyber attacks on Western systems. Assesses conventional force concentrations near NATO borders and long-range aviation patrol activity. Sources include satellite imagery, OSINT platforms, and official MoD reporting from allied governments.

Opportunism Window

The mechanism cluster that links Marker II to Marker III directly. Monitors Russian state media and official commentary on US institutional dysfunction, tracking the correlation between US domestic crises and Russian military posture adjustments. Assesses diplomatic deterioration indicators. Includes the China Restraint Factor as a mitigating (negative-scored) variable — the one dimension of Chinese strategic behaviour that directly modulates the Jamie Index composite.

The methodological choice to exclude China as a primary driver of the Jamie Index composite — while including it as a mitigating factor within Marker III — reflects the causal architecture of the framework. China benefits from and challenges the rules-based international order simultaneously. Its strategic positioning is better understood as a response to Western fracture than as its origin. The Jamie Index measures the primary rupture: US institutional breakdown feeding Russian opportunism. China's role in the space created by that rupture is a second-order question.

4.3 Why China Is Not a Primary Variable

China is not a primary variable in the Jamie Index — not because it is unimportant, but because it is not the cause of the rupture. China has benefited from the rules-based international order whilst simultaneously challenging it, and its strategic positioning is better understood as a response to Western fracture than as its origin. The rupture begins in Washington and Moscow. It is US institutional breakdown and Russian military aggression that have shattered the architecture of the post-1945 order. China watches, calculates, and prepares.

This is a methodological choice grounded in causal sequence. The Jamie Index measures the specific rupture dynamic between US institutional fracture and Russian opportunism because those are the

variables with the clearest causal relationship, the most measurable indicators, and the most direct implications for near-term crisis probability. China’s role in the space created by that rupture is a second-order question, and one for a future index variant.

Within the current framework, the **China Restraint Factor** in Marker III (scored as a negative/mitigating variable) captures the extent to which Chinese diplomatic pressure on Russia modulates the aggression risk — the one dimension in which China does directly affect the Jamie Index composite.

SECTION 5

Scoring and Evidence Standards

The Jamie Index is produced through a structured monthly production protocol. Analytical rigour depends not only on what is measured but on how consistently and transparently measurement is applied.

The Severity Scale

Each indicator is scored on a 0–5 severity scale anchored to observable, defensible criteria at each level. The scale runs from 0 (no observable change from pre-2025 norms, indicator at historical equilibrium) through 5 (unprecedented in modern US or European history — institutional safeguards actively failing or removed, historical analogues are pre-conflict periods). Mitigating factors are scored as negative values and explicitly subtracted from sub-index totals.

The five-point scale is calibrated so that a score of 5 on a critical indicator represents conditions at the outer boundary of recoverable historical precedent.

Evidence Logging

Every score assigned in every edition is grounded in a structured evidence log — a contemporaneous record of the events, statements, data releases, and analysis that drove each indicator's score in that month. Score changes of two or more points require a written justification note. This discipline serves three purposes: it enforces analytical consistency across editions; it creates an auditable chain of reasoning; and it produces a historical archive that allows the index's trajectory to be reviewed and challenged by third parties.

Five-Day Production Cycle

Each Jamie Index edition is produced on a five-day cycle. The process is identical for regular monthly editions and flash updates; flash updates compress Day 1 evidence collection to same-day review of the triggering event and its immediate context.

Day	Focus	Description
Day 1	Evidence Collection	Systematic review of all primary sources across the indicator universe. Every relevant event logged with date, source, indicator reference, and summary in the Jamie Index Evidence Log.
Day 2	Indicator Scoring	Scoring of each indicator against defined severity criteria. Comparison against prior edition. Written justification required for any movement of ± 2 or more points. Mitigating factors scored as negative values.
Day 3	Calculation	Cluster weights applied; sub-index totals normalised to 0–100 scale; composite headline score calculated: $\text{Jamie Index} = (0.6 \times \text{Marker II}) + (0.4 \times \text{Marker III})$; conditional crisis probability derived; headline band and direction determined.

Day 4	Narrative & Dashboard	Monthly narrative drafted covering headline number, key movers, key events timeline, and investment signal. Dashboard updated with new scores and narrative. Layout is fixed across all editions.
Day 5	Publication	Monthly edition published via Jamie.Capital newsletter on the 14th of each month. Flash updates issued within 48 hours when a single event causes a projected ± 5 point movement. Edition archived.

Data Sources

All Jamie Index inputs are derived from open-source material. The primary research universe spans: government and institutional records (Congressional Research Service, Defence Intelligence Agency annual threat assessments, Senate Armed Services Committee transcripts, Federal court filings, NATO communiqués, Russian MFA statements); major think tanks (SIPRI, RAND Corporation, Chatham House, IISS, Atlantic Council, RUSI, Harvard Belfer Center Russia Matters, Jamestown Foundation, Federation of American Scientists, Bulletin of the Atomic Scientists); OSINT and satellite imagery platforms (Bellingcat, ISW, Planet Labs/Maxar, national cyber security centres); and quality international wire service and specialist defence media.

ANALYTICAL EDGE

No proprietary data sources are required. The Jamie Index's analytical edge is in its conditional architecture, indicator construction, severity calibration, and evidence discipline — not in access to non-public information.

SECTION 6

Historical Calibration: The Cuban Missile Crisis

The Jamie Index has been calibrated against the Cuban Missile Crisis of October 1962 — the only modern instance of a US–Russia nuclear confrontation that reached maximum observable stress and was successfully de-escalated. This calibration provides an empirically grounded reference point for the Marker III sub-index and establishes an analytical finding with direct implications for how to interpret current readings.

October 22, 1962 — Phase 1: Onset

Kennedy's televised address. DEFCON 3. Naval quarantine imposed. Soviet missiles confirmed by U-2 imagery. ExComm convened. US public ultimatum issued. Marker III entering acute territory — nuclear weapons in theatre, direct superpower confrontation initiated. Marker II at near-zero: Kennedy commanded complete institutional unity with full military obedience, bipartisan Congressional support, and no judicial challenge to his authority.

October 27, 1962 — Phase 2: Black Saturday (Peak)

SAC at DEFCON 2 — highest in US history. Multiple simultaneous nuclear flashpoints. U-2 shot down over Cuba; pilot killed. Soviet submarine B-59 commander authorises nuclear torpedo without Moscow contact — the Arkhipov veto prevents launch. Castro cables Khrushchev urging nuclear first strike. 162 Soviet warheads in Cuba operational. Strategic Air Command and Air Defense Command unilaterally move to DEFCON 2. The most dangerous 24 hours of the nuclear era. This date anchors the Marker III ceiling calibration.

October 28, 1962 — Phase 3: Resolution

Khrushchev publicly announces missile withdrawal. De-escalation begins. RFK/Dobrynin back-channel formalised. Secret Turkey missile withdrawal agreed. DEFCON stand-down initiated. The resolution is achieved through the same institutional coherence that characterised the entire crisis: Kennedy, the Joint Chiefs, Congress, and the Western alliance operating in complete unity.

CALIBRATION FINDING — BLACK SATURDAY VS. FEBRUARY 2026

CMC Black Saturday Equivalent Jamie Index ≈ 32 : Marker III at near-maximum (nuclear weapons in theatre, DEFCON 2, simultaneous unauthorised nuclear actions at multiple levels). Marker II at effectively zero: complete US institutional unity throughout the crisis. Current Jamie Index — February 2026: 63. Marker III significantly elevated — nuclear posture, NATO cohesion deterioration, Russian military positioning, opportunism window all contributing. Marker II substantially elevated — institutional fracture trajectory active and documented. The current Jamie Index reading is approximately double the Cuban Missile Crisis equivalent composite — not because Russian military posture is more extreme than Black Saturday, but because the US institutional architecture that resolved the CMC has been substantially degraded.

SECTION 7

Track Record and Predictive Validation

The Jamie Index's credibility rests in part on a single, documented, pre-event prediction that is available for public verification. Marker I was named and logged in March 2024 — eight months before the 2024 US presidential election. The framework identified Trump winning the 2024 election as the first observable threshold in the causal chain, the event that would initiate the conditions for Markers II and III. This prediction was made not as a probability estimate but as a structural precondition.

Marker I was confirmed on November 5, 2024. This confirmation established three things analytically: first, that the framework's foundational thesis about institutional fragmentation risk was not post-hoc rationalisation; second, that the causal chain the Jamie Index monitors is live and active; and third, that the Marker II trajectory the index has since tracked represents a real escalation sequence, not a hypothetical one.

No claim is made that the confirmation of Marker I proves the inevitable confirmation of Markers II or III. The Jamie Index is a probability measurement instrument, not a prediction. Its purpose is to track the trajectory accurately — whether conditions are improving or deteriorating, and by how much. A Jamie Index reading that declines from 63 to 45 would be analytically significant evidence of improving conditions, as meaningful as a reading that rises to 75.

ON PREDICTIVE CALIBRATION

The Jamie Index's monthly evidence logging discipline means that every score movement is documented in the archive. This creates a verifiable track record: the reasons for every significant score change are recorded contemporaneously, not reconstructed retrospectively. Institutional licensees receive access to evidence log summaries as part of the licensed product.

SECTION 8

How the Jamie Index Differs from Existing Instruments

Feature	Caldara–Iacoviello GPR	BlackRock BGRI	Metaculus / Prediction Markets	Jamie Index
Methodology	Automated newspaper text search	Brokerage report sentiment	Crowd-sourced probability	Structured analyst synthesis with evidence logging
Scope	Global geopolitical risk (breadth)	10 named global risks	Specific questions (variable)	US–Russia crisis dyad (depth)
Conditional architecture	✗ Variables independent	✗ Variables independent	~ Questions independent	✓ Conditional probability structure
Scalar named monthly score	✓ (broad index)	~ Categorical ratings	~ Per-question probability	✓ Named score + crisis probability
Investment signal integration	✗	~ Internal use only	✗	✓ Four-scenario framework
Pre-event track record	~ Historical back-series	✗ Not published	✓ Crowd forecasts logged	✓ Marker I confirmed March 2024 → Nov 2024
Licensable as independent IP	✗ Academic / free	✗ Internal to BlackRock	✗ Platform-based	✓ Independently owned and licensable
Historical calibration	~ Back-series since 1900	✗ Not published	✗ Varies by question	✓ Cuban Missile Crisis calibrated ceiling

SECTION 9

Investment Framework Integration

The Jamie Index was designed from the outset as an analytical instrument in service of investment positioning, not as a standalone academic product. It serves as the risk measurement centrepiece of Jamie.Capital's four-scenario investment thesis. The four scenarios — Stability, Volatility, Disruption, and Crisis — represent distinct geopolitical environments with materially different implications for asset allocation. The Jamie Index score maps directly to these scenarios via the five headline bands, providing a monthly signal for portfolio positioning.

The investment thesis positions Brazilian real assets as a geopolitical hedge strategy across all four scenarios. Brazil's characteristics — geographic distance from the primary conflict zone, commodity and agricultural resource base, established international trade relationships independent of Western institutional architecture, and sovereign democratic stability — provide meaningful hedge properties that improve with Jamie Index elevation.

CURRENT INVESTMENT SIGNAL — FEBRUARY 2026

Jamie Index 63 places the reading in the Volatility–Disruption transition band. At this level, the four-scenario framework calls for accelerated positioning in Brazilian real assets as geopolitical hedge, capital

preservation priority, and meaningful allocation to asymmetric instruments that benefit from Western institutional breakdown. Full investment signal detail is published in the monthly edition.

The Jamie Index is not an investment advisory product. It is a risk measurement instrument whose readings are integrated into investment advisory work conducted separately. Readers of this methodology paper should consult qualified financial advisors before making any investment decisions based on Jamie Index readings.

SECTION 10

Access and Licensing

The Jamie Index is available in three forms.

Monthly Newsletter

The monthly newsletter provides the composite Jamie Index reading, sub-index scores, key events timeline, and investment signal to subscribers via jamieindex.substack.com

Institutional Licensing

Institutional licensing provides access to the full methodology review document, evidence log summaries, quarterly deep-dive analysis, and bespoke briefings — appropriate for investment managers and risk consultants requiring full analytical transparency for due diligence purposes. Institutional licensing discussions begin with a methodology review document available under NDA, providing significantly more detail on the indicator structure and scoring methodology than this public overview.

Strategic Advisory Partnerships

Strategic advisory partnerships integrate the Jamie Index framework into portfolio strategy and positioning, primarily applicable to asset managers incorporating Brazilian real assets as part of a geopolitical hedge strategy.

REQUEST ACCESS

Institutional licensing enquiries, newsletter subscriptions, and strategic advisory discussions welcome.

Contact: team@jamiecapital.com