

Japan's Earthquake is Shaking Up Global Finance

By Samuel Blumenfeld

Japan is the world's third largest economy. Because of the enormous damage it has suffered in one of the most severe earthquakes in history, Japan will be forced to shift from being an exporter of capital to a consumer of it. It will need billions of dollars to rebuild whole cities destroyed on the coast by a tsunami of incredible force.

The Japanese people are resilient and patient. They have not forgotten what it took to recover from the ruins of World War II. And there is no doubt that they will recover from this horrendous natural disaster. But there is also no doubt that the earthquake's aftershocks will be felt in the American economy.

It is with a heavy heart that I am now issuing **the highest level alert to my readers than I have to date**. The threshold for an alert is one or more world events that personally cause me to take action.

I'm making this alert publicly available less than 36 hours after releasing it to my enrolled subscribers given its importance and the speed at which events are accelerating.

The substance of this alert centers on the unknown aftershocks that may result from the world's third largest economy, Japan, rapidly shifting from an exporter of funding to a consumer of it. In situations like these, we are by definition operating with incomplete and often confusing information, and events are developing more rapidly than they can be fully analyzed and internalized. We regret in advance any mistakes that we might make due to making calls and decisions in this highly fluid environment.