

# View from the Bridge

an alternative view of the investment world by Clive Hale



## Things that make you go...Aaargh! April 15th 2012

Posted on [April 15, 2012](#) by [Clive Hale](#)

Grant Williams writes a regular piece entitled [“Things that make you go...Hmmm”](#) which is always thought provoking and comes with a weekly roundup of things that rarely reach the MSM. I just feel that the time has come to raise the “noise” level to at least Defcon 3 hence the title of this latest “View”.

The first subject that is driving me to despair is Japan and I don't mean the fact that its debt levels make Greece's look trivial (they are to the Greeks, but not to the rest of Europe) or that its deflationary tendencies are an issue, but that Fukushima is still a nuclear disaster waiting for another earthquake.

Because radio activity is “invisible” the reporting of it in the press has remarkably similar properties....Just in case you missed it, here is TEPCO's (Tokyo Electric Power Co) plan for “decommissioning”. Phase 1 – in 2 years, begin the process of fuel removal from the spent fuel pools. Phase 2 – in 10 years, begin removing fuel debris (solidified fuel and melted cladding). Phase 3 – in 30-40 years, complete fuel debris removal and the processing and disposal of radioactive waste. There are over 1600 tons of spent nuclear fuel in the pools, which are in the six reactor buildings or what remains of them. TEPCO admit that “as of the end of February 2012, the full extent of the damage to the RPV (reactor pressure vessel) cores and PCVs (primary containment vessel) was still under investigation”. In other words they don't know how bad things are, but a modest little earthquake in the 5-6 range (very common in these parts) might just help them find out sometime over the next 40 years....if you haven't read Neville Shute's book – *On the Beach* – I suggest you get a copy and an airline ticket to anywhere in the Southern Hemisphere.

My next potential stressor is listening to those gentle folk who don't think that the stock market is being manipulated. To move them right out of their “comfort zone” I would suggest that ALL capital markets are currently in that state; stock, bond, currency, commodity, derivatives,

property; you name it, someone else is controlling it and for their benefit not yours. Globalisation means that the major ~~manipulators~~ facilitators of global finance are so big that their mere presence moves markets but there are those who believe that they wouldn't use this to their advantage; oh dear... We are not just talking greedy investment banks here; regulators and governments are even bigger ~~sharks~~ fish in this very murky pond.

And then we have the MSM. How often do you hear people say that they don't believe anything they read in the newspapers? So why do they read the wretched things then? And don't watch the news on TV either; same anaesthetic propaganda. In fact switch the thing off and turn it into a bird table you will be amazed at how much extra productive time that will give you! And by not paying your sub to the "man in the sky" another evil empire will slip back into the ooze.

While I am in overdrive a mention of the euro, that last lingering but fatally flawed bastion of european union (lower case now obligatory), will not go amiss. It is doomed. Greece will be first out before the year end. The last bailout was a complete farce with the new improved whiter than white debt trading at 20% of par value so yet another default is inevitable...and soon. Who will be next? Quite possibly France. Sarkozy is dead in the water so we face the prospect of Francois Hollande vowing to "dominate the financial bogeyman as soon as the election is won". Good luck with that one. Right on cue a futures market on French government debt is to be opened which will make it even easier to price OATs (obligations assimilables au Tresor – French gilts) "a la grecque". Should be an interesting ride for the new government!

That's quite enough for this week. In the next edition we will be talking to people who think that we still live in a democracy...aaargh! [www.viewfromthebridge.co.uk](http://www.viewfromthebridge.co.uk)