

Warren Buffett says money can't fix the biggest threat to the world

Legendary investor Warren Buffett says there's one massive threat to the global economy and there's no way American corporations or their investors can shed the risk. Buffett is referring to what he calls "CNBC"—the threat of cyber, nuclear, biological and chemical attacks. During the question-and-answer session at Berkshire Hathaway's annual shareholder meeting on April 30, Buffett said it's the "ultimate problem" and is the only "real threat to Berkshire's economic well-being over time."

Buffett doesn't think corporations can do much to reduce the chances of an attack. "I don't know how Berkshire does anything. I don't know how to do it philanthropically. If I knew how to reduce the probabilities of a CNBC-type mass attack by 5%, all my money would go to that. There's no question about that," he said.

The potential financial fallout from a CNBC attack is catastrophic. According to the [World Economic Forum's 2016 Global Risks Report](#), crime in cyberspace alone will cost the global economy \$445 billion in 2016. That's more than the market caps of some of the world's largest companies, including Exxon ([XOM](#)) (\$372 billion), Wells Fargo ([WFC](#)) (\$256 billion) and JPMorgan ([JPM](#)) (\$238 billion). And Buffett, the richest man in the world, can't compete with that staggering statistic either. According to [Forbes](#), his estimated net worth is \$67.2 billion.

In his annual letter to shareholders, Buffett expanded on the possibility of a CNBC-type attack: "What's a small probability in a short period approaches certainty in the longer run. (If there is only one chance in 30 of an event occurring in a given year, the likelihood of it occurring at least once in a century is 96.6%.) The added bad news is that there will forever be people and organizations and perhaps even nations that would like to inflict maximum damage on our country."

Eurasia Group's [Top Risks report](#), which identifies the most challenging geopolitical trends for global investors, echoed a similar warning. Included on the report's top 10 list was ISIS and "friends." It states, "ISIS is the world's most powerful terrorist organization. It has attracted followers and imitators from Nigeria to the Philippines, and the international response to its rise is inadequate, misdirected, and at cross purposes. For 2016, this problem will prove unfixable, and ISIS (and other terrorist organizations) will take advantage of that. The most vulnerable states will remain those with explicit reasons for

ISIS to target them (France, Russia, Turkey, Saudi Arabia and the United States), and those with the largest numbers of unintegrated Sunni Muslims (Iraq, Lebanon, Jordan, Egypt and across Europe)."

But this is not the first year that this type of warning has been issued. Buffett has raised the possibility of a terror or nuclear attack in the past. But what's different is that this year's caution was especially grave, saying that the chance of such an attack is approaching certainty. During the shareholder meeting's Q&A session, Buffett said, "Someday somebody will pull off something on a very, very, very big scale that will be harmful. Maybe in the United States, probably the most likely place it happens, but it can happen a lot of other places. And that's the one huge disadvantage to innovation."

[Click here for a full replay](#) of the 2016 Berkshire Hathaway annual shareholder meeting, which Yahoo Finance live-streamed exclusively. At this page you can also find our extensive coverage of the event.