More than 50 years after President Nixon closed the door on Bretton Woods, a US Dollar-based global financial system has become a national treasure. Dollar dominance has become a pillar of global financial market stability and allows American households, businesses and governments to fund themselves at markedly lower rates than would otherwise be the case. However, Washington should be careful not to take this exorbitant privilege for granted. As Pottinger and Singh have noted in Foreign Affairs, the geopolitical incentive and operational capacity to reduce exposure to dollars is on the rise.

**USD share of global markets**

- **FX transaction volume**: 88%
- **Global oil markets**: 75% - 80%
- **FX reserves**: 60%
- **Trade invoicing**: 50%
- **Cross-border loans**: 50%
- **International debt securities**: 49%
- **SWIFT payments**: 42%