

Opportunity Title: Evaluating the Impact of U.S. Dollar Losing its Status as World Reserve Currency

Opportunity Reference Code: ICPD-2020-02



Organization Office of the Director of National Intelligence (ODNI)

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How to Apply

Create and release your Profile on Zintellect – Postdoctoral applicants must create an account and complete a profile in the on-line application system. **Please note: your resume/CV may not exceed 2 pages.**

Complete your application – Enter the rest of the information required for the IC Postdoc Program Research Opportunity. The application itself contains detailed instructions for each one of these components: availability, citizenship, transcripts, dissertation abstract, publication and presentation plan, and information about your Research Advisor co-applicant.

Additional information about the IC Postdoctoral Research Fellowship Program is available on the program website located at:
<https://orise.orau.gov/icpostdoc/index.html>.

If you have questions, send an email to ICPostdoc@orau.org. Please include the reference code for this opportunity in your email.

Application Deadline 2/28/2020 6:00:00 PM Eastern Time Zone

Description **Research Topic Description, including Problem Statement:**

There are many advantages for U.S. national security to have the U.S. dollar as the world reserve currency. Any international transaction settled in US dollars, gives the U.S. jurisdiction over financial crimes associated with those transactions, to include support to terrorism and weapons-of-mass destruction (WMD) proliferation. In addition, the U.S. is able to effectively level sanctions against or designate entities that violate international laws or treaties, or that have the potential to cause financial instability in global markets. The U.S. maintains international dominance in no small part due to its financial power and authorities. However, there are many threats to the U.S. dollar maintaining its status as the world reserve currency. Countries such as China and India have large growing economies that could compete with U.S. economic growth. Many cryptocurrency enthusiasts predict that either a global cryptocurrency or a national digital currency could undermine the U.S. dollar. If either of these scenarios or others come to pass, the U.S. would lose both its status in the world and its global authorities. The U.S. should prepare for scenarios that threaten to undermine the U.S. dollar as the world reserve currency and determine how those scenarios could be overcome, protecting our status in the global economy. The U.S. should prepare to identify potential "black swan" events that could revolutionize the financial playing field in ways we do not yet understand – presenting strategic surprise -- and understand root causes and driving factors that are particularly sensitive to certain global or technical events. Applying new statistical and artificial intelligence approaches to historical examples as well as possible future scenarios coupled with deep expertise in economics, finance, and emerging and evolving alternative banking mechanisms could provide useful new insights not available today and that would benefit the counterproliferation community.

Example Approaches:

This project should leverage all available information as well as recent breakthroughs in applied statistics, artificial intelligence, and deep learning to determine the most likely scenario(s) for how the U.S. dollar loses its status as the world reserve currency, why that scenario(s) is most likely, and in what timeframe this scenario(s) could unfold. It should also detail the impact of that status loss on the U.S., its economy, and national security. Further, the proposers should consider scenarios or events that would undermine this thinking and identify root causes and driving factors. Applying new approaches to considering risk and evaluating a range of future outcomes would be essential to developing a solid fundamental understanding of potential futures and enabling the Intelligence Community to develop strategies to anticipate developments, and identify and warn of emerging risks and vulnerabilities as early as possible.

Relevance to the Intelligence Community:

Maintaining the U.S. dollar as the world reserve currency is vital for the national security community. It enables the U.S. to impose and enforce sanctions on entities that violate treaties or international law – results are essential to counter-proliferation and counter-terrorism activities. Sanctions are imposed when countries or their citizens develop or expand weapons programs that are considered dangerous to the international community. Having U.S. dollar transactions settle through the U.S. gives law enforcement jurisdiction to investigate, charge, and convict criminals of financial crimes such as money laundering, fraud, and terrorist financing. Since the U.S. dollar holds value through time, it is the

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safest currency in which to conduct international business transactions. This gives the U.S. global economic dominance. If the U.S. dollar loses its status, these national security advantages disappear, leaving the U.S. vulnerable. This project could allow the national security community to prepare for and defeat scenarios that could prevent this economic crisis.

Key Words: Economy, Finance, Sanctions, Banking, Currency, Virtual Currency, U.S. Dollar, Risk Management, Statistics, Artificial Intelligence, Deep Learning

Qualifications

Postdoc Eligibility

- U.S. citizens only
- Ph.D. in a relevant field must be completed before beginning the appointment and within five years of the application deadline
- Proposal must be associated with an accredited U.S. university, college, or U.S. government laboratory
- Eligible candidates may only receive one award from the IC Postdoctoral Research Fellowship Program

Research Advisor Eligibility

- Must be an employee of an accredited U.S. university, college or U.S. government laboratory
- Are not required to be U.S. citizens

Eligibility Requirements

- **Citizenship:** U.S. Citizen Only
- **Degree:** Doctoral Degree.
- **Discipline(s):**
 - **Chemistry and Materials Sciences** (12 )
 - **Communications and Graphics Design** (2 )
 - **Computer, Information, and Data Sciences** (16 )
 - **Earth and Geosciences** (21 )
 - **Engineering** (27 )
 - **Environmental and Marine Sciences** (14 )
 - **Life Health and Medical Sciences** (45 )
 - **Mathematics and Statistics** (10 )
 - **Other Non-Science & Engineering** (2 )
 - **Physics** (16 )
 - **Science & Engineering-related** (1 )
 - **Social and Behavioral Sciences** (27 )