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## **The Archetypes of American Foreign Policy: A Reprise**

*(Note: Due to the upcoming Thanksgiving holiday, the next report will be our 2024 Geopolitical Outlook published on December 11.)*

A critical issue in 2024 will be the U.S. presidential elections. America is going through a particularly partisan period where passing legislation is difficult and policy shifts between administrations are widening. Foreign policy isn't exempt from these changes. In preparation for next year's election, we wanted to update one of our earlier reports on the archetypes of American foreign policy.

In the current environment, presidential candidates have made incendiary statements about foreign policy. However, without a paradigm, it can be difficult for investors to determine what foreign policy decisions a candidate is likely to make beyond the specifics of the campaign rhetoric. By using these archetypes of American foreign policy, one can more easily anticipate how a candidate today might act if they were to occupy the Oval Office.

In 2012, we initially published a report titled "The Archetypes of American Foreign Policy." In that article, I borrowed heavily from Walter Russell Mead in his 2002 book, *Special Providence*.<sup>1</sup> Mead took a unique approach in describing policy positions, using historical figures instead of abstract

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<sup>1</sup> Mead, W. R. (2002). *Special Providence: American Foreign Policy and How it Changed the World*. New York, NY: Routledge.

models. Other policy analysts have used terms like "realists" or "idealists." Unfortunately, these broad generalizations fail to fully express the subtleties of American foreign policy. Before the 2016 election, we updated that report. With elections set for next year, a return to this structure seemed in order.

Mead named four archetypes: Hamiltonian, Wilsonian, Jeffersonian, and Jacksonian. Each one of these archetypes has specific characteristics that describe the viewpoints and behavior of a policymaker of that certain type. Mead does admit that other archetypes have existed in American history. For example, the Davisonian was an archetype named after the president of the Confederate States of America. Its goal was the preservation and expansion of slavery, and Davisonian foreign policy would be designed to support that institution. Of course, this archetype ceased to exist after the South lost the Civil War.

By using a real historical figure as a representative of that archetype, it helps the reader to envision the position of that particular "school." As with all archetypes, these are considered model specimens for that particular type. In real life, even these historical figures probably don't fully capture the image that Mead projects for each type. Actual policymakers tend to be a mix of these four types; it is rare that a policymaker would be of pure form. However, the archetypes do offer a construct for an analyst to examine and predict the foreign policy behavior of elected officials.

In this report, we will briefly describe and discuss the four archetypes of American

foreign policy.<sup>2</sup> With presidential elections roughly one year away, we hope that this discussion will assist readers in examining the candidates and their potential foreign policy positions, using these archetypes as a guide. After we have laid out the archetypes, we will offer a short history of foreign policy from the end of WWII into the present and discuss how it has evolved from the Cold War into the post-Cold War period. We will conclude with reflections and market ramifications.

### **The Hamiltonians**

Simply put, the Hamiltonians support a strong alliance between big business and government and want foreign policy designed to further such ends. The Hamiltonians want to boost commerce and the standing of U.S. companies in world markets. Most analysts would place the Hamiltonians in the sphere of foreign policy “realists.” However, such a characterization is probably too simple. Realists are usually seen as policymakers who carry no illusions about the weakness of human nature. They strive to make decisions based on cool logic and avoid sentiment. But unlike their counterparts in Europe who profess similar attributes, Hamiltonian policymakers are shaped by the specific geopolitics of the United States. In other words, the relative isolation of the U.S. from the rest of the world means that they don’t view policy or trade as a zero-sum game as it is for other nations. In Europe, for example, an improvement in Germany’s position is inevitably seen as a cost to France. However, because of the relative isolation of the U.S., Hamiltonians tend to view policy in terms of commerce. In capitalism, free

exchange suggests that both parties are made better off. Thus, promoting economic development and growth worldwide is seen as beneficial to all, not just to the U.S.

As previously noted, this isn’t necessarily true for other nations. For example, supporting industry in one nation may improve that nation’s economy and make it militarily stronger than its rivals. For the U.S., this is simply another country boosting its growth for the betterment of the world economy. It also may allow the U.S. to sell to this newly emerging economy and will likely become a source for production. To promote global commerce, Hamiltonians have traditionally supported the freedom of the seas. They also took a mostly dim view of European colonization since it often restricted American access to trade with those colonies. Prior to WWII, Hamiltonians did not favor free trade. Instead, they supported tariffs and tended to prefer mercantilist trade policies. However, after the war, when free trade became a policy tool for winning the Cold War and the U.S. was the preeminent global economic power, the Hamiltonians turned into free traders. Today, Hamiltonians are free trade supporters.

For the most part, Hamiltonians see war as “bad for business” but will support conflicts in order to open markets and expand U.S. power to build new markets. For example, the Cold War was a nearly perfect conflict—actual fighting was rare and business interruptions rarer still but spending on military equipment supported industry. As the U.S. established itself as the importer of last resort, U.S. businesses expanded supply chains into the free world to boost growth and lower costs.

In sum, Hamiltonians believe that commerce and economic growth should be the primary

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<sup>2</sup> However, readers are urged to read Mead’s aforementioned book so as to better understand his position on the four major types of foreign policy. Our short report does not fully do justice to a 340-page book.

aims of American foreign policy. Wars should be avoided but fought, if necessary, to support the economy, whether it is to maintain open oceans, secure critical raw materials, or protect American investments. It is important to note that Hamiltonians believe that the primary beneficiary of American foreign policy should be the business sector and not necessarily other sectors of the economy. If free trade benefits businesses but harms workers, Hamiltonians will tend to side with free trade.

### **The Wilsonians**

The Wilsonians are the idealists of American foreign policy. Coming out of the Protestant missionary tradition, the Wilsonians hold that the U.S. has a moral obligation to spread American democratic and social values to the world. The goal of the Wilsonians is to create a peaceful planet based on the rule of law.

The Wilsonians take almost a religious view of American values and thus believe they should be spread to civilize the world. They believe that foreign policy is a moral undertaking and that wars should be fought to further the aims of democracy and protect the innocent against violence and genocide. This obligation often requires a muscular military response. Coming out of the missionary movement, Wilsonians work to improve the lot of common people in foreign lands. The Peace Corps is a good example of Wilsonian policy. For much of American history, Wilsonian policy was closely aligned with what would now be seen as mainstream Protestantism. Thus, the social gospel of earthly improvement went hand-in-hand with the saving of souls.

Wilsonian policy is more hard-headed than it is usually portrayed. Wilsonians believe that the work of democratization and

spreading the rule of law is how the world gets better; they know that there will be opposition but also hold that American values are special and can make the world a better and more peaceful place. Standing up for American values in foreign policy is the best way to defend American interests—it is a form of “doing well by doing good.”

### **The Jeffersonians**

The Jeffersonians, like the Wilsonians, also believe that American values are special. However, unlike the Wilsonians, they believe those values are so precious that they should be protected by avoiding interaction with other nations. The Jeffersonians are, for the most part, libertarian isolationists. The Jeffersonians are uncomfortable with the Hamiltonians’ willingness to deal with unsavory foreign governments and recoil at the Wilsonians’ openness to use military power to spread the “gospel” of American democracy.

Jeffersonians believe, like the Wilsonians, that the world would be a better place if American values were adopted; however, they have little expectation that corrupt foreigners will ever do so. Instead, the goal of Jeffersonian foreign policy is to protect U.S. values from foreign corruption.

The Jeffersonians, like their namesake, want America to be capitalist and democratic. They worry that the Hamiltonians are willing to favor the former to the detriment of the latter. The Jeffersonians believe that capitalism should be made less efficient if it threatens democracy. Both the Wilsonians and the Hamiltonians favor a strong central government. The Jeffersonians, on the other hand, view government as a necessary evil and thus the weaker and more decentralized the government, the less evil it will be prone to spreading.

In general, the Jeffersonians want the least invasive foreign policy possible. For the most part, the Jeffersonians oppose most wars. They reject the “global policeman” role and do not support America’s superpower status. They fear that taking on these roles will undermine American civil liberties, and thus prefer a smaller government that focuses more on protecting American rights and democracy and less on boosting commerce or spreading democracy abroad.

### **The Jacksonians**

The Jeffersonians and Jacksonians are the more uniquely American of the four archetypes. Strains of the other two can be found in the foreign policy of other nations. Of the Jeffersonians and Jacksonians, the latter is the one that probably most confounds foreigners.

The Jacksonians believe that the most important goal of foreign policy is the physical security and economic wellbeing of the American people. Thus, they oppose the Hamiltonian approach to policy as too willing to support business to the detriment of American workers. They also find the Wilsonian position on fighting moral wars repugnant. Why risk American lives because some dictator is abusing his own people? That problem is someone else’s worry.

The Jacksonians are most similar to the Jeffersonians. Both oppose big government and support broad democracy. What separates the Jacksonians from the Jeffersonians is the role of national honor. According to the Jacksonians, it is dishonorable to back down from a real threat to American freedom and security. Jacksonians generally oppose war; however, once war is deemed necessary, the Jacksonians show no quarter. Wars for

Jacksonians end with unconditional surrenders by the enemy. Limited wars are of no use. If the government decides to commit itself to a war, then the enemy must be destroyed.

The inability of foreigners to understand Jacksonians has been to their detriment. Foreign governments tend to view Jacksonians and Jeffersonians in the same light; both fear war and prefer not to fight. However, they often fail to grasp that once committed, Jacksonians are hell-bent on winning unconditionally. Because of their full commitment, Jacksonians do not take war lightly. Once committed, an enemy finds itself facing a formidable foe.

We believe that America cannot fight a war without a commitment from the Jacksonians. This is why every conflict in the post-WWII era has been framed as “preventing the next Hitler.” Jacksonians don’t understand the limited wars that a superpower fights; a superpower doesn’t need to win every war if “win” is defined as total destruction. It just needs to fight enough to prove that it is the global superpower. For Jacksonians, leaving before the enemy is vanquished is besmirching the fallen who have given their lives for the cause of the war.

Jacksonians are probably the least understood of the four archetypes. To some extent, this is due to the lack of an intellectual tradition; the other three archetypes have ideological roots. Hamiltonians developed from the British conservatives. Wilsonians come from the Protestant missionary Social Gospel movement. Jeffersonians have been aligned with Libertarianism. Jacksonians are the closest the U.S. has to a folk movement. Ethnically, the Jacksonian roots spring from the Protestant Scotch-Irish that initially immigrated into the Carolinas and Virginia

and spread to West Virginia, Kentucky, and parts of Illinois and Indiana. They tended to view themselves as a class. What they want from the government is not ideological. They want government to support their group's goals—for example, they don't oppose government spending per se, but they want it focused on their needs and wants. In modern terms, they support Social Security, which helps the retirement of the middle class, but oppose welfare as government giveaways for the idle poor. In visceral terms, the themes of country music—honoring America, living the simple life, following the rules—represent the best descriptions of the Jacksonians.

In sum, the Jacksonians are probably the most uniquely American of the archetypes and most difficult to categorize. They are generally held in the least regard by the media but as the most necessary when the country is in danger. Being driven mostly by group interests instead of ideology, they are the hardest to figure out and thus ignored by most political scientists.

### **The Current State of Foreign Policy**

During the Cold War, the Hamiltonian archetype was dominant. Although the fight against communism was usually couched in moral terms (which would seem Wilsonian—note the famous Kennedy “[bear any burden](#)” speech), in reality, the U.S. often supported anti-communist autocrats who were known to have suppressed their citizenry.<sup>3</sup> In other words, the “free world” wasn't necessarily democratic. This policy leaning didn't preclude ill-advised wars, such as Vietnam, but in general, the focus of foreign policy was to contain the spread of communism. This containment included a limited conflict in Korea and supplying arms to Islamist groups aligned against the Soviet

Union in Afghanistan. Leading foreign policy figures during this era were Henry Kissinger, Zbigniew Brzezinski, and Brent Scowcroft.

When the Cold War ended, American foreign policy bifurcated. The Hamiltonians continued to dominate trade policy, supporting a neo-liberal program of globalization. However, foreign policy took a Wilsonian direction. The intervention in Bosnia was conducted for humanitarian reasons. The decision to attack Iraq on what turned out to be unsubstantiated claims of the production of weapons of mass destruction and aiding Islamist terrorist groups proved to be disastrous. One of the reasons for the intervention was to democratize Iraq, clearly a Wilsonian aim. The neo-conservatives within the George W. Bush administration pressed for a moralist foreign policy, but even Democrats supported a “[responsibility to protect](#)” doctrine. Anne Marie Slaughter, who was in the State Department in the Obama administration, was a leading figure in this movement.

In the wake of the long wars in Afghanistan and Iraq, a reaction against Wilsonian foreign policy emerged. President Obama mostly leaned into a Jeffersonian archetype. One of the policy stances that supported his nomination over the heavily favored Hillary Clinton was his opposition to the Iraq invasion, a clear Jeffersonian policy position. Once in office, he supported a “surge” in Afghanistan but with an established timetable for withdrawal. His famous “[red lines](#)” in Syria are another example. The White House had intimated that if the Assad regime used chemical weapons on its citizens, it would trigger a U.S. intervention. However, President Obama decided not to intervene. The JCPOA, otherwise referred to as the Iran

<sup>3</sup> A classic example would be the Pinochet government in Chile.

nuclear deal, was designed to help the U.S. reduce its exposure in the Middle East.

The Trump administration reflected another reaction against Wilsonian foreign policy in the form of Jacksonianism. President Trump made threats and used bluster against threats to the U.S., but for the most part he was reluctant to involve U.S. forces. In trade policy, Trump moved against the prevailing Hamiltonian globalization stance with the widespread use of tariffs.

The Biden administration has continued and expanded the Trump anti-globalization policy position. The use of subsidies in both the CHIPS Act and the Inflation Reduction Act is a further retreat from the Hamiltonian support of free trade and globalization. In foreign policy, Biden seems to lean Jeffersonian. His abrupt and chaotic withdrawal from Afghanistan reflects the Jeffersonian goal of reducing foreign involvement. That position is tempered somewhat by U.S. support of Ukraine, although we note that the support is almost entirely material and does not include direct U.S. military involvement.

It is our position that the U.S. has been unable to craft a coherent foreign policy since the end of the Cold War. One of the reasons for this failure is uncertainty about the proper U.S. role in the world order. America is a reluctant hegemon. The U.S. really didn't want that role but accepted it after WWII as the cost of preventing WWII. But once the Soviet Union collapsed, the main reason for maintaining hegemony was lost. Our take on history is consistent with George Kindleberger's "hegemonic stability theory," which states that the world needs a hegemon to function well. The hegemon provides global security to facilitate peace and trade and provides the reserve currency and asset. Both of these

global public goods are expensive. The security requirement leads to constant global military commitments that can lead to wars. The financial requirement, especially under a fiat currency system, leads to persistent trade deficits and eventually to industry and job losses.

Americans are unsure of why they should be burdened with this role. Our grandparents understood that if the U.S. doesn't do it, either someone we won't like will take the role to our detriment, or worse, no one will, leading to global chaos. The lessons of the first half of the 20<sup>th</sup> century have gradually been forgotten and America's policy and political classes have failed to make a convincing case that the burden should continue.

It is in this environment that we will face presidential elections in 12 months. It is not our role to suggest what we think *should* happen. Our role is to offer the most likely outcome. As such, our position remains the same—the most likely outcome is a continued withdrawal from the hegemonic role. We are not moving in an abrupt fashion, but make no mistake, Jeffersonian, Jacksonian, and Wilsonian archetypes are not likely conducive to continued hegemony. Jeffersonians are, at their core, isolationist; Jacksonians are as well, except when honor is violated. The flaw in Jacksonian thinking, though, is that wars can end conclusively in a world with nuclear weapons. They rarely can, and as Putin's nuclear threats suggest, Ukraine probably can't retake all its territory without increasing the risk of a nuclear event.

Perhaps the only chance that hegemony would return is with a Hamiltonian foreign policy that abandons neoliberal trade policy. In other words, a Hamiltonian foreign policy that deploys a degree of protectionism to

improve the lot of American workers might be tolerated. It should be noted that the Hamiltonians once were protectionist; it was after WWII that they turned into free traders. Unfortunately, the Hamiltonians have been out of favor for so long that we doubt international relations graduate programs have many left. Thus, regardless of who wins next November, we expect the policy direction of withdrawal will continue.

### **Ramifications and Reflections**

If our analysis is correct, it would mean a continued fracturing of the global economy, which leads to lower productivity, supply insecurity, and higher inflation. Commodity sectors should benefit as should defense contractors. Equities should also continue to do relatively well, but the “odd man out” is long-duration fixed income. Although the bond sector will, on occasion, benefit from strong counter-trend rallies, they will likely be short lived.

However, even though we think this is the most likely path forward, we still watch for signs that we are wrong. As we stated above, the emergence of a Hamiltonian policy mix that would establish a workable program for continued hegemony and is acceptable to the majority of voters is one way to avoid the problems of the U.S. ceding its hegemonic position. As we note, we don’t see that figure on the horizon currently, but it is important to maintain a watchful eye on the potential emergence of such a person. In the absence of such a leader, our expectations of higher inflation, favorable commodity markets, decent stock markets, and worrisome bond markets remain intact.

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