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As studies already demonstrate that interest indicators from realists demonstrate significant results between interstate conflict and states' interests. By investigating cross-Strait relations, this paper suggests that the deepening of both political and economic interests boosts the political implement peaceful talks for the China-Taiwan dyad. However, the exchange of opinions and cooperation based on the common interests did not provide the cross-Strait relations any further stability during Ma's second presidency. In contrast, the social split and contesting politics in Taiwan slowed down the cooperation between Beijing and Taipei. Since international and domestic politics affect each other, we need to apply Putnam's two-level game theory to investigate if there are any interactions between the power and preferences of the major actors at their domestic level, especially on domestic constituents' preferences. The author uses the 2014 Sun Flower Movement in Taiwan and the South China Sea issue to illustrate the importance of aggregation of states' interests between Beijing and Taipei, and argues that the maintenance of status-quo on the South China Sea issue may provide more stability to the cross-Strait relations.

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Common Interests and Two-Level Game Theory in the South China Sea Dispute

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Abstract

Previous studies have demonstrated that interest indicators demonstrate a significant correlation between interstate conflict and states' interests. By investigating cross-Strait relations, this paper suggests that the deepening of both political and economic interests boosts the political will to implement peaceful talks in the China-Taiwan dyad. However, domestic opposition and contested politics in Taiwan slowed cooperation between Beijing and Taipei during Ma Ying-

jeou's second term as president. Since international and domestic politics affect each other, it may be useful to employ Robert Putnam's two-level game theory to investigate the interactions between the power and preferences of major actors at the domestic level. The author uses the 2014 Sun Flower Movement in Taiwan and the South China Sea issue to illustrate the importance of the aggregation of interests between Beijing and Taipei, and argues that the maintenance of status quo on the South China Sea issue may provide a stabilizing factor in cross-Strait relations.

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Key Words: interest, peace, cross-Strait relations, two-level game theory, South China Sea

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Neorealism has argued that, in an anarchic international system, all states, irrespective of their internal attributes, pursue foreign policies based on a rational calculation of national, political and economic interests. Hence, countries may take hostile or pacific approaches toward each other regardless of whether they share similar political beliefs, ideologies and systems. This paper stresses that states' interests should also be taken into consideration when studying international conflicts. Previous studies stemming from the realist school of international relations theory have already demonstrated that interest indicators show a statistically significant correlation between interstate conflict and states' interests.

In regards to cross-Strait relations, the author suggests that the deepening of mutual interests boosts the political will to implement peaceful talks in the China-Taiwan dyad. However, increasingly divided public opinion in Taiwan is presenting policymakers with competing demands for the direction of relations between Beijing and Taipei. In examining the impact of domestic politics, it is useful to weave peace-interest arguments with two-level game theory, and

thus arrive at a new theoretical framework for the study of cross-Strait relations. This theoretical approach might also lead to better explanations for the future course of cross-Strait relations. When attempting to reach a more stable consensus between Beijing and Taipei, domestic political divisions in Taiwan become particularly significant. Reaching consensus on cross-Strait policies in light of the sharp divisions in domestic opinion becomes a major challenge for Taiwan's politicians.

This article employs two case studies in order to analyze the above arguments. The 2014 Sunflower Movement illustrates how domestic politics in Taiwan can derail agreements reached between Beijing and Taipei on economic and trade cooperation. The South China Sea issue, on the other hand, provides a platform for both governments to manipulate domestic voices on issues of territorial sovereignty, and creates a driver of peaceful cooperation because of the historical overlap of claims in the South China Sea, with both Taipei and Beijing adhering to the

geographic orthodoxy of the nine-dash line (U-shaped line).

Realism's Explanations of Common Interest

Neorealists—focusing on national interests, defined in terms of power in the study of international politics—primarily refute the claims of a democratic peace.¹ In their view, states generate conflict because they have different opinions and ideas about world politics. Conflict more commonly occurs between nations that have greater differences in worldviews than between nations that see the world in a similar fashion. Hence, the notion of state interests is crucial to the theory of international conflict because a variety of cultural, social, ethnic, demographic, and political factors encourage the Western industrial democracies to view the world in similar ways.² In other words, democratic countries do not fight against each other not because they are democracies, but because of their similar interests. Neorealists have long accepted that states differ in their objectives in global relations, and these differences are important contributors to conflict behavior.³

Concerning the issue of interests, Layne provides several critical cases showing that the reason democracies do not declare war against each other is related to national interests rather

than regime types.⁴ Layne expands the norms and cultural explanations and argues th

1 Erik Gartzke, "Kant We All Just Get Along? Opportunity, Willingness, and the Origins of the Democratic Peace," *American Journal of Political Science* 42 (1998), pp.1–27; and Erik Gartzke, "Preferences and the Democratic Peace," *International Studies Quarterly* 44 (2000), pp.191–212. Joanne Gowa, *Ballots and Bullets*, (Princeton: Princeton University Press, 1999). Christopher Layne, "Kant or Can't: The Myth of the Democratic Peace," *International Security*, 19 (1994), pp.5–49.

2 Kenneth Waltz, *Theories of International Politics*, (MA: Addison-Wesley, 1979). Robert Gilpin, *War and Change in World Politics* (Cambridge, MA: Cambridge University Press, 1983). Henry Farber and Joanne Gowa, "Politics and Peace," *International Security* 20 (1995), pp.123–146; and "Building Bridges Abroad," *Journal of Conflict Resolution*, 41 (1997), pp. 455. Joanne S. Gowa, *Ballots and Bullets* (Princeton: Princeton University Press, 1999). Kevin J. Sweeny, "The Severity of Interstate Disputes: Are Dyadic Capability Preponderances Really More Pacific?" *Journal of Conflict Resolution*, 47 (2003), pp.728–750.

3 Please see Henry Farber and Joanne Gowa "Politics and Peace," 1995. What the author mentions about "states' interests" is related to the state level and may not have any strong link with individual decision makers or government constraints in this study.

4 Christopher Layne, "Kant or Can't: The Myth of the Democratic Peace," 1994.

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democracies develop positive perceptions of other democracies. This means that there mutual respect because democracies perceive each other as being equally peaceful. This perception is based on a form of learning. Democracies benefit from each other and wish to establish a sense of positive cooperation. In turn, this mutually beneficial dynamic d

democracies to respond to the needs of other democracies and eventually create a community of interests. The communal interests of democracies results in the peace dividend, because once they move towards shared interests, they prefer to renounce the option of war. This explanation reminds us that interest similarity can also help explain the democratic peace.

Farber and Gowa adhere to this argument that common interests results in more peace. Their approach, in keeping with the approach of the realist camp, links the democratic peace with the Cold War, and they argue that the onset of the Cold War precipitated a convergence of interests among a large number of democracies. Alliance patterns show that most democracies defense pacts with each other. Peace during the Cold War era became the byproduct of security interests. Farber and Gowa conclude that it is the common interests rather than common regimes that explain the low incidence of disputes between democracies. Their arguments offered new thoughts on democratic peace studies. Gartzke carries this new approach one step further by asking whether interests and international conflict are related statistically. He concludes that democratic states may still fight because they have different opinions about each other.⁵ The empirical evidence also suggests that adding affinity scores leads most coefficients, including democracy, to become insignificant. Therefore, Gartzke concluded that affinity, his way measuring interests, was significant enough to displace or reduce the importance of indicators of democracy as an explanation for democratic peace theory.⁶

⁵ Please see Gartzke, "Kant We All Just Get Along? Opportunity, Willingness, and the Origins of the Democratic Peace," 1998; and "Preferences and the Democratic Peace," 2000.

6 Realists view alliance as a key indicator of shared strategic interests. In the conflict studies, scholar used alliance portfolio to represent states' security interests, such as Tau-b or S scores. For more details about different indicators, please see Curtis Signorino, and Jeffrey M. Ritter, "Tau-b or not tau-b: measuring the similarity of foreign policy positions" *International Studies Quarterly* 43 (1999), pp.115–144; and Kevin Sweeney, and Omar MG Keshk, "The similarity of states: Using S to compute dyadic interest similarity" *Conflict Management and Peace Science* 22 (2005), pp.165–187. Gartzke's affinity scores were measured by the countries' voting behavior in the United Nation General Assembly. However, O'Neal and Russet argued that the measurement by Gartzke's assessment on interest is the function of regime type. Affinity can be explained by different types of liberal indicators. Please see John O'Neal, and Bruce M. Russet, "The Classical Liberals were Right: Democracy,

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In essence, then, the task here is to investigate security similarities—one of the major categories of national interests—and to discuss their role as a driver of peace among states.⁷ Scholars from diverse intellectual traditions have agreed that states' security interests vary, and that variation is a major determinant of interstate conflict.⁸ Theoretical arguments connecting security interests and severe interstate conflicts suggest that interests are essential to the explanation but are limited in an important way. That limitation stems from the limited categorical descriptors of states as either status quo or revisionist. This binary dichotomy between states' intentions as a predictor of conflict is typical of realist literature.⁹

This study adopts a novel argument that connects realists' ideas on status-quo power and

revisionists' emphasis on social identity theory. By combining these two theories, we are able to discover some useful linkages between arguments common to both theoretical camps. Countries viewed as revisionist mainly seek to overthrow the current international system and try to alter the existing order; however, status-quo powers basically seek to maintain the current distribution of power in the international system. Thus, these two types of states are almost exclusive of one another, and realists expect the most severe interstate conflicts to occur between two groups. Status-quo states, which are viewed as preserving peace as a chief security interest, are likely to cooperate as a close group. Within that group, members unanimously accept the prevailing framework for international order, and the consensus helps maintain stability between group members. Revisionists are defined by security interests that deviate from those of the status-quo

Interdependence, and Conflict, 1950–1985” *International Studies Quarterly* 41 (1997), pp.267–294.

7 The reason I adopt security interests as one of the vital interests is because states will struggle to secure their political benefits if they expect a threat to their national survival.

8 Please see Gartzke, “Kant We All Just Get Along? Opportunity, Willingness, and the Origins of the Democratic Peace,” 1998; and Gartzke, “Preferences and the Democratic Peace,” 2000. Also in Zeev Maoz, Ranan D. Kuperman, Lesley Terris, and Ilan Talmud, “Structural Equivalence and International Conflict: A Social Networks Analysis” *Journal of Conflict Resolution* 50 (2006), pp.664. Bruce Russett and John R. O’Neal, *Triangulating Peace: Democracy, Interdependence, and International Organizations* (New York, NY: W.W. Norton & Company, Inc., 2001).

9 About the discussions on the revisionist and status quo states, please see Arnold Wolfers, *Discord and Collaboration: Essays on International Politics*, (Washington: Johns Hopkins University Press, 1965). Hans J Morgenthau, *Politics Among Nations: The Struggle For Power and Peace* (New York, NY: Knop, 1967). Douglas Lemke and William Reed, “Regime Types and Status Quo Evaluations: Power Transition Theory and The Democratic Peace” *International Interactions* 22 (1996), pp.143–164.

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An assumption runs through this symposium that peaceful change is desirable and ought to be encouraged. We do not believe it is that simple. The term “peaceful change” itself is not well defined. The article, therefore, narrowly defines peaceful change as a process whereby a hegemon voluntarily cedes its dominant geopolitical role to a challenger in one or more regions. Drawing on neoclassical ... [\[Show full abstract\]](#)

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