ABSTRACT

China's interest in ethnic conflict in Kachin state of Myanmar is in the interests of economic and energy cooperation in the Myitsone hydropower dam project and the construction of oil pipelines and Gas Shwe. China and myanmar border problem which is used as a trade route and drug smuggling poppy types. This was included in transnational crime. Starting from the Myanmar government urged all ethnic armed wing must disarm and join the military border guards under the command of the defense ministry myanmar control. As the election process Myanmar 7 November 2010. The conflict occurred on 9 June 2011. Kachin Independence Organization (KIO) refused because there is no agreement with the government of Myanmar politics. KIO is an organization asking for representation of ethnic Kachin autonomy as agreed 12 February 1947 Panglong agreement. Kachin Independence Organization (KIA) as the KIO's military wing to fight against the Myanmar military. Meanwhile, on 25 June 1954 the Chinese government with the government of Myanmar has signed five agreements and peaceful coistence principle. The impact of this conflict for China is a disruption of the energy cooperation project development process, the ethnic Kachin refugee problem which occupies an area of Yunnan, China. Economic and social condition of Yunnan province disrupted. Problems also arise when the poppies are in circulation in China comes from myanmar, this concerns the threat of Chinese sovereignty of smuggling poppy Myanmar to China.

Key word: China, Myanmar, KIO, KIA, Natioal Interest, Panglong agreement, the five principle agreement and peaceful coistence, Myitsone Hydropower Dam, Project Shwe oil and gas trade and smuggling of Poppy.