CHAPTER V
CONCLUSION

The Bilateral relations between China and Myanmar in the field of energy which is the construction of Shwe pipeline in Arakan, Rakhine in 2004 has brought a great impact on the people of Myanmar, especially for local people that stayed in Arakan Rakhine. Where there has been a conflict occurred before between ethnic Rohingya that until now has not been resolved both the Government and Myanmar’s own society. not just for Myanmar, but this relationship also had a major impact on China as the country that gave the most investment to the project of the construction of the Shwe pipeline in Arakan, Rakhine.

The research about the influence of China and Myanmar relations in the construction of Shwe pipeline in 2004 toward conflict of Rohingya create several conclusions as follows:

1. China and Myanmar cooperation in terms of energy field that located in Arakan, Rakhine, Myanmar. The area that conflict occurred before the cooperation between ethnics Rakhine in Myanmar. The construction of oil and the natural gas pipeline will run for 30 years ahead starting in 2004. Where China as the largest investor of 50.9% and rest is owned by Myanmar.

2. This cooperation involves two large companies engaged in energy, namely China National Petroleum Corporations (CNCP) owned by China and Myanmar Oil and Gas Enterprise (MOGE) owned by Myanmar. Both are held directly by the government each country.

3. The construction of the Shwe pipeline will pass through several areas ranging from Kyaukphyu, Rakhine to Kunming, Province of China along 800 km. The project also called as China Trans-Myanmar
oil and gas pipeline. The project will help China to tackle the ongoing energy crisis in the country and reduce the substantial funds to transport the oil and gas.

4. On the process of the Construction of Shwe Pipeline effect on the escalation of conflict of ethnic Rohingya. This is evidenced by the widespread scale of the conflict. Conflict occurs not only against the Muslim Rohingya but also the local people that stayed in Arakan, including Buddhist. It was caused by structural distortions. They are affected by the process of the project that still running until 30 years ahead.

5. The conflict increase because of 3 main distortions. First, Trade Sector distortion. Second, Internal Economic distortion. Third, Social and Political distortion.

6. In Trade sector distortion, it can be seen from Trade sector distortion. It can be seen from the country’s dependence on foreign markets. Internal economic distortion, this can be seen from the imbalance in the distribution of energy resources and the problem of cost stabilization by pressing laborers’ salaries, and in social and political distortion. It increases the escalation of the conflict because it can be seen from the formation of different classes in the society, the existence of violations of the rights of local people in Arakan.

7. In order to anticipate the rejection of Myanmar society associated with the construction of the gas pipeline, China seeks two different strategies consisting of developmental strategy and strategy of violence. Both of these strategies are deliberately attempted by China to maximize the security of this energy supply in Arakan, where China makes every effort to reduce the form of rejection or protest from local residents in a subtle or coercive manner.
Therefore, the authors also advise some parties including the Government of Myanmar and China Corporations that concerned in the project of the construction of Shwe Pipeline in Arakan, Rakhine as follows:

1. **For the Myanmar Government**
   The government of Myanmar must be responsible for human rights violations, and remain accountable to the unresolved conflicts toward ethnic of Rohingya, adopt and enforce laws that cause environmental, social and human rights impacts, adopt and enforce laws requiring a transparency of payments from oil and gas mining by CNPC companies, adopt and enforce the law to ensure the process of seizure of people’s land with fair compensation, transparency in the case of free and fair industrial projects and the participation of civil society, ratify the United Nations Convention against the corruption signed by Myanmar itself, implement a development moratorium on gas projects, oil mining, and electricity & hydroelectric sectors. As a developing country, Myanmar must take the stand-alone attitude, as outlined earlier. In particular the need for increased general commitment. The government must strive to restructure the entire economy so that modern technology must be disseminated to all layers of the production sector. This will ensure equitable distribution of income and will eventually end the process of marginalization of the people.

2. **For the China Government**
   Government and company of China should be responsible for what has been done in the Arakan, Rakhine area by improving the quality of life of the surrounding community and avoiding the human rights violence that has been committed with the Myanmar government, do not exploit massive
resources owned by Myanmar. Developmental as China strategy for security is expected to be expected locals agree and support the project because the construction of the pipeline invites outside investment so that the impact directly impacts on economic improvement and improvement of infrastructure development in Arakan region, it is hoped that China can cooperate and help Myanmar government in order to solve the conflict problem facing Rohingya society and not cooperate in the destruction of local people in Rakhine area, resolve the ongoing energy crisis that occur inside the country by excluding developing countries, especially building large projects in conflict areas and voicing internationally for what the Rohingya community is feeling and not participating in violating the violence of the community around the project of the construction in Rakhine area.

3. For Indonesia as the neighboring country

As the only country that has received full trust from the Myanmar government, Indonesia is expected to encourage the presence of accountability to protect and fulfill human rights for the Rohingya people by increasing diplomatic relations with the Myanmar government, from which Indonesia is expected to be able to convince the Myanmar military to be able to prevent and stop violence. against Rohingya people in the Rakhine region. in addition, Indonesia is expected to be able to encourage regional accountability. As is known, so far ASEAN has not so much interfered with the problems faced by the Rohingya community