

ABSTRACT

The Chinese state is well known for its strong economic development. China is among the countries that developing rapidly in the economic field. Now China is strong enough to compete with large countries in the world of economy. One of China's strategies to strengthen their economy is by they expand their market, one of it is by relying on China-owned big business for opening an investment branch of their company in other countries, especially Indonesia. Indonesia is one of the destination countries that China is very interested in as a place to expand the companies they own. China as one of the world's economic giants, see Indonesia as a suitable place to invest. One of China's company that takes a big step to open a large business in Indonesia is Xiaomi. A private electronics company from China were founded in 2010 and now is the third largest smartphone distributor in the world. In 2017 through Foreign Direct Investment and Multinational Corporations, China began to open and develop Xiaomi in Indonesian market place. This research uses descriptive analysis method with secondary data collected from book, journal, website and other credible resources. In conclusion, the researcher will provide information on the development of China's expansion in Indonesia market place.

Keywords: Multinational Corporations, Foreign Direct Investment, China, Indonesia, Xiaomi Company.