

The Adjustment of Labour Relations: From “Power Control” to “Game Behaviour”?

Qi Li

The 2010 strikes demanding wage increases that swept through the eastern coastal regions of China expressed the lack of effective internal adjustment mechanisms of labor relations in Chinese enterprises. This paper points out that, due to China’s market transition and imbalance of power between labor and capital, labor relations are “employer-led”, whereas the government, based on the considerations of political stability and economic development, has been adopting the “power control” model to adjust labor relations. In general, the employment relationships have become the main form of labor relations in China, which is featured as “zero-sum” game, and “employer-led” imbalanced labor relations.

Keywords: *labour relations, “power control” model, All-China Federation of Trade Unions (ACFTU), hidden mechanism, collective bargaining.*