



China's factories resemble N.C.'s a century ago

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A North Carolina furniture worker from 1903 visiting a factory in southern China in 2003 would feel right at home.

Conditions there, while harsh by today's standards, don't differ much from those American workers routinely accepted 100 years ago, furniture and labor experts said.

Much of China's furniture manufacturing resembles North Carolina's mill villages that centered around textile plants a century ago, said Richard Bennington, chairman of home furnishings and design at High Point University. The veteran educator visited China in 2000.

"People came off the farm and lived in a little white house near the textile mills," he said of the state's furniture industry a century ago. "They lived in the company house and bought things at the company store."

In China, manufacturers of all types have built dormitories.

"They're bringing their work force right there," said Bennington, who founded his university's International School of Home Furnishings.

On a trip to China last winter, Rachel Willis, a UNC labor economist specializing in manufacturing jobs, frequently saw 10 to 20 women living together in a room and sharing a common kitchen.

"They were nice, brand new facilities in some respects, but they were clearly not acceptable by current U.S. work standards anywhere," said Willis, who visited a number of different types of plants, but not any making furniture.

The employees who lived in the dormitories and worked in the factories were isolated from larger cities and communities, with no access to transportation, she said.

But Bennington said the living conditions at the furniture factories he visited are better than in the rural areas, where there's no work.

"They get three meals a day, and I remember one place -- I never saw so many TV antennas in my life," he said. Many workers are able to send money home, as well, he said.

While some of the furniture factories are quite primitive, others are very modern and advanced, Bennington said. Employees at some plants work 12 to 14 hours a day, six to seven days a week.

"It wasn't great, but then others are much different from that," he said. "It's all over the place."

The factories Willis visited were extremely labor intensive and low on automation, she said. Rather than using a forklift to carry products around a plant, she said, "people ran around carrying relatively small loads."

And a team of people worked at finishing jobs such as ironing and folding shirts, rather than a machine performing the tasks.

"Jobs that could have been done with a little more capital were done with an extraordinarily large amount of labor," Willis said.

A standard of living for factory workers that is the envy of those in the developing world contributes to the wage differential that is at the heart of domestic manufacturing's decline amid burgeoning imports, said Bob Stec, president and CEO of Lexington Home Brands in Lexington. Now pressure from imports made cheaper by the wage differential is costing American workers their jobs.

"Our greatest blessing is our greatest curse," Stec said.

Like other furniture manufacturers, as it has cut domestic production, LHB has turned to importing finished and partly finished furniture.

Lexington Home Brands' partner companies are mostly in the southern Chinese city of Dongguan, which has established itself as a major industrial center. Of the city's 7 million people, 5 million are migrant workers, many of them from rural provinces. Wages typically are less than 30 cents an hour, and most workers live in dormitories near the factories.

In October, LHB laid off more than 400 workers and closed its plant No. 1 in downtown Lexington. That factory encompassed more than 1 million square feet in a sprawling complex of buildings dating back to the early 20th century, when, as Dixie Furniture Co., the factory largely defined Lexington. A smokestack at the site still bears the Dixie name,

and Lexington Home Brands has no immediate plans to sell the property. The company has kept its corporate offices on the site.

About 520 workers were affected, with about 150 to be transferred to the company's other factories, which still include three in the Lexington area.

"I've closed over 10 plants," Stec said in a recent interview. "I've stood up in front of the workers at every one of them, and it's not an easy day. ... You really feel for these people, because for a lot of them, it's the only thing they've ever done."