Pro/Con
Is Wal-Mart Good for America?

Pro

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Wal-Mart offers everyday, affordable prices for American families across the country while providing good jobs and serving communities through volunteerism and charitable contributions.

W. Michael Cox, chief economist at the Federal Reserve Bank of Dallas, noted in The New York Times: “Wal-Mart is the greatest thing that ever happened to low-income Americans. They can stretch their dollars and afford things they otherwise couldn’t.”

Communities also benefit from increased economic activity and the revitalization of economically depressed areas spurred by Wal-Mart. Often, new businesses are established and existing businesses relocate near a new Wal-Mart. In Columbia, Md., after Wal-Mart took over a space abandoned by another retailer, The Washington Post commented that “Wal-Mart has quickly turned into a magnet” for new businesses.

Increased economic activity and lower prices yield jobs and economic growth. A recent Los Angeles County Economic Development Corp. study found Wal-Mart supercenters would save residents in a seven-county region $589 per household per year and create 36,400

Con

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The world's biggest retailer — some say the most admired retailer in America — is also the most reviled. Increasingly, Americans understand that Wal-Mart is more than just a chain store. It is a chain of exploitation that stretches from sweatshops in China to sales floors in California. Each link in the retail chain is forged in the heat of unfair advantage and abuse. Among other things, Wal-Mart:

- Watches 45 percent of its workers quit every year.
- Failed to make Fortune magazine’s list of “100 Best Places to Work.”
- Secretly collected life insurance benefits from its dead workers.
- Admits its wages are “not designed to fully support a family.”
- Concealed violent crimes against shoppers at its stores.
- Asked taxpayers to subsidize the building of its empire.
- Spent 38 percent less on health care per worker than the average U.S. employer.
- Was sued in 32 states for forcing its employees to work “off the clock.”
- Was sued by federal officials for
jobs. Two-thirds of Wal-Mart jobs are full time. All pay above the federal minimum. In fact, the average wage is $9.98 an hour — higher in larger cities.

Clearly, people find value in working here: our turnover rate — 46 percent — is one-third below the retail average. Our benefits are ranked the best in the retail industry. Both full- and part-time associates are eligible for benefits.

We provide career growth, too. Nine thousand hourly associates moved into management last year, joining two-thirds of our store management who started as hourly employees.

Part of our company's culture is giving back to the communities we serve through charitable contributions to local organizations. Corporate giving totaled $158 million last year.

In our communities, we've generated more than $52 billion in sales taxes and $4 billion in property taxes in the past decade. Wal-Mart is proud to purchase goods from 10,000 U.S. suppliers and export $2 billion of U.S.-made goods to our stores in 10 foreign countries.

Wal-Mart's value can be calculated in jobs, economic growth and charitable partnerships in communities throughout the country. Those numbers don't compare, however, to the rising standard of living U.S. families experience because of Wal-Mart's commitment to lowering costs and prices on everyday needs.

discriminating on the basis of disability and sex.
• Has nearly 7,000 lawsuits pending against it at any point in time.
• Has more than 325 “dead” stores sitting empty in small-town America.
• Was busted for predatory pricing in the United States and Germany.
• Was caught using illegal workers to build and clean its stores.
• Imported more Chinese products ($12 billion) than any other retailer.
• Squeezes manufacturers on pricing so harshly that companies have been forced to transfer millions of factory jobs to Mexico or China.

Wal-Mart represents the end of competition, not the beginning. In 1989, its CEO, David Glass, predicted that half the nation's retailers would be out of business by the year 2000. The firm Retail Forward recently warned, “Wal-Mart will continue to steamroll the competitive landscape.” Small-town America has been ravaged.

We are heading toward a “one-nation, one-store” marketplace. The battle will be won or lost in Wal-Mart's aisles. If Wal-Mart wins, America loses.