

# Is wal-mart good or bad for the economy

[Business](#), [Company](#)



Nowadays when a person is in need of some groceries, or even clothes, instead of making multiple stops at different outlets they visit their nearest Walmart. There are many opinions on how Walmart has impacted America in various ways. One of the most popular controversy is its effect on the economy. " Walmart does more for the average American than any other company" (Ray Bracy, Troy 1 ). Walmart has left a positive impact on America at the local, regional and national level that has helped America grow as a country within the economy, offering benefits to its employees and providing job aids for many Americans.

There are a lot of people who hate Wal-Mart. In the absence of data, they have a visceral reaction" (Neumark 1). Yet Walmart has strived to change that way Americans think of Walmart's impact on the economy. " According to economic consulting firm Global Insight, the existence of Wal-Mart in the United States and its effect on consumer prices results in an annual cost savings of \$263 billion, or roughly \$895 per person. The study also concluded that Wal-Mart created 210, 000 net new jobs last year and pays employees competitive wages. (Troy 1)

This proves how Walmart has saved millions of dollars for the economy providing many jobs for the unemployed and the expansion of Walmarts in different areas saves a lot of money for those locations. For example," If Wal-Mart's store penetration rate as it's found in Dallas/Fort Worth was applied to markets such as Chicago, Los Angeles and New York, that annual savings per person would be \$763, \$1, 000 and \$1, 307,"(Troy 1).

This shows us that Walmart itself is not negative impact on society but rather a positive one allowing America grow as a nation and allowing a huge

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industry like these help out in hard times like the ones we are seeing in present day. The economy we see today with many americans unemployed makes many wonder if they're still opportunities for some out there that may have none more than a high school diploma to survive. That study confirmed what Wal-Mart had long claimed: that its stores are economic generators, not predators.

Walmart itself has become a light for many americans that have nowhere else to turn. Yet many argue that Walmart has become a dictator to smaller companies, taking over and making them go out of business yet many don't realize what the construction of a store like Walmart can do to fit the needs of certain areas that are struggling for money. Take into consideration a place like Cleveland," Aside from precious jobs, the mall will spin off US\$3 million in property taxes annually, US\$1. 8 million of which will go to the city's struggling school system, plus US\$700, 000 in local payroll tax.

It will also give city residents a place to shop near home, rather than travelling to the suburbs. Officials estimate local residents spend US\$4 billion a year in retail shops, a third of which currently goes outside the city. If ever there was a Wal-Mart that deserves support, they say, this is it" ( Maich 1). This proves to that there are cities like Cleveland in which having a Walmart in their area provides not only jobs for many in that area but also tax money which will eventually benefit everyone throughout time. In 2002, Ryerson University completed the first major study on the company's impact on nearby small retailers, and found the opening of a new outlet is generally an economic boon for the whole area--attracting other retailers and driving up sales at nearby stores.

In metropolitan areas, a new Wal-Mart was generally followed by an increase of \$56.8 million in local sales, and the opening of 12.9 new stores. In rural areas, the commercial boost was \$74. million and 16.7 new stores on average. ( Many can argue that Walmart has put many bussiness out of business but yet it has done the complete opposite, it attracts more people to the stores that surround Walmart or are around them making it an " economic generator" (Maich 2) and increasing their sales. Walmart has now become more popular with its benefits for Walmart workers. " The world's largest retailer is now offering its 1.4 million employees a collegeeducation.

Through a partnership with American Public University, employees can take online courses toward a bachelor's or master's degree. And Walmart will cover up to 15 percent of tuition. " (Sanchez 1). This new opportunity that Walmart offers to its employees has become a great attraction to many as a second chance is offered to many workers that have lost faith in ever achivieng more than just a simple cashier, or a stock person. " Brew says the company is putting \$50 million into this project over the next three years to make sure it succeeds.

So far, only 400 Walmart employees have signed up, but the company intends to roll the project out slowly. " (Sanchez 3). Many employees may complain about their low wages orhealthbenefits but they now have another door that opens for them, an opportunity to get higher either in Walmart stores or even in another company. Therefore when the word " Walmart" comes to mind and we begin think of many negative impacts on society we must remember that when it comes to" Wal-Mart, perception and myth are powerful.

In spite of all the evidence to the contrary, the company is still struggling with the consequences of its increasingly tainted image. " (Maich 4). Walmart has provided American with a better future in the economy, offering job opportunities and even striving to help whoever is willing to make their future better with online courses. As Americans we must all keep in mind that even though we have all heard horror stories about the giant retail with the name " Walmart" sometimes they're just not true.