

# Nike position paper

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Nike Position Paper In our prevalent society today, there is an intricate debate between boycotting and supporting many different transnational corporations such as Nike, Inc. It has been inferred that Nike breaches multiple human rights acts and workplace violations. Dissidently, Nike's total net income is 273.4 billion dollars and their annual revenue adds up to approximately 19 billion dollars. This concludes that global citizens are more than voluntary to purchase their merchandise and endorse their business.

Nike is involved in several environmental projects such as building athletic courts out of recycled shoes and their "air pockets" in numerous models of sport sneakers use nitrogen instead of SF<sub>6</sub>, which is a greenhouse gas. Nike also has "green" events associated with The Green Project of Long Island in New York State. Nike manufactures in over 30 countries and sells in over 160, with about 36,000 employees' total. They also have rights to Hurley International and Nike invests in professional athletes to promote their goods.

Nike has dynamic and monumental marketing skills that influence our generation conspicuously. In correlation, multinational business' pay acceptable wages to workers because they have an innumerable amount of expenses unseen by most people. Corporations have significant distribution and tariff expenses bringing their products to market. Furthermore, transnationals' pay acceptable wages given that profit margins are not as great as people may assume. Competition between producers is so fierce that profits for 214 companies in 1999 were limited to an average of 8.3%.

A wage premium is also applied where wages are 40% to 100% greater than the average rate in many developing countries. It has been fathomed that

Nike violates labor laws. But, anti-globalization people often distort the truth on this topic, as in the case of the fake German documentary film against Ikea. It has also been acquiesced that corporations exploit their workers. It is valid that employees' work long hours, but a New York Times article indicated that the workers do this willingly because this allows them to make more money than they might be able to earn otherwise.

Mass business' such as Nike, constitute investment and the increased export income improves a country's equilibrium of payment, introduces otherwise unavailable goods and services that are essential for diversifying production, and stimulates local entrepreneurship by subcontracting to local industries and enhancing competition. "You don't win silver, you lose gold," is a famous Nike quote that has much controversy behind it, as do many business affairs pertaining to this iconic corporation.

While workers in Indonesia are being paid around 21, 000 dollars a year for a myriad amount of hours of hard labor in one day, one of Nike's promotional athletes, NBA player Kobe Bryant, is being paid over 500, 000 dollars a week to bounce a ball around. Workers are told to sign a contract which removes all their rights, they are typically fired by the age of 35, and Safety & Health Administration has found more than 1000 plus violations.

Irrevocably, there are two definitive positions of transnational corporations. They have an agglomeration of flaws, but none that can be condemned irremediable. You hear a different opinion from each worker, each newspaper and each monopoly spokesperson. To ostracize such a beneficial

asset to our economy would be asinine. People are kept off the streets, with paying jobs, and are making a contribution to society one shoe at a time.