

Branch in chicago



When surveying on building the 5, 402nd branch in Chicago, Wal-Mart highlighted the 300 job opportunities the construction of the new store would create (Coates, 2005). Wal-Mart is on an image repairing mission. In so doing, it claims that it offers jobs to minorities unlike other stores. The company says it offers stores and jobs to unfortunate black communities that are deprived of the two. Wal-Mart is depicted as a brutal giant that finishes small businesses, talks down unionizing of employees, discriminates female employees and offers low pay levels (Coates, 2005).

In a move to correct that perception, in 2005 Wal-Mart contracted the services of Margaret Garner, a head of a construction company to offer the services of constructing the 5, 402nd store in Chicago. Setting up of a Wal-Mart supercenter or store normally has a magnificent negative impact on local merchants. Ideally, this is unhealthy for the economy given that local merchants are phenomenal in sustaining the economy of a particular locality (Toney, 2007).

The local merchants do so by expending a huge portion of revenues on locals especially through labor. In so doing, money is kept within the said locality. The entry of Wal-Mart into a locality unfortunately reverses all the above. Wal-Mart and Social Responsibility Initiatives In order for the retail giant to correct the dented image of being perceived as a brutal killer of small retailers, Wal-Mart has developed some corporate social responsibility initiatives. First, the firm has set up scholarships that are solely meant for the minorities.

An example of a fund to which Wal-Mart has been religiously contributing scholarship-related donations is the United Negro College Fund

(Fishman, 2006). Still on scholarships for the minorities, Wal-Mart also writes checks to a number of black congressmen solely directed at educating minority African-Americans. When Wal-Mart is setting up a store in a given location, heated debates are guaranteed to emerge. Opponents argue that the retail chain normally does not contribute to economic development.

They justify that the firm's entry to a place becomes a doom to local retailers (Craft, 1992). The company is seen as a 'corporate parasite'. Although the retail chain offers employment opportunities when it enters a local scene to the locals, pundits argue that it brings no development when it enters a location. In this case, for a business to be considered viable, it should marry employment and development together to be acceptable, a challenge that Wal-Mart falls short of (Fishman, 2006).

This is justified by the president of United Food and Commercial Workers in Chicago, Ronald Powell when he asserts that for every one job created by Wal-Mart, two are lost indirectly (Coates, 2005). This is due to the reason that Wal-Mart fails to meet the test of favorable wage, health insurance and dues on retiring. Wal-Mart has lost some bids to set up stores in a number of towns. For instance, a bid to set up a store in Chatham, a middleclass locality in Chicago that is less distressed for jobs was voted against (Fishman, 2006). The firm also lost a bid to set up a store in Inglewood California.