

Is walmart good for america

Economics



**ASSIGN
BUSTER**

Walmart is very bad for America in many different ways. America's economy is already moving at a very slow rate and Walmart is not helping it. They are however helping China's Economy. Walmart brings in 100 million Americans every week with their "every day low prices". Walmart depends on China to make most of their products because the manual labor there is cheaper. In an article written by Robert E. Scott he writes, "It has also repressed the labor rights for its workers and suppressed their wages."

Because the labor in Walmart in China is so cheap, Walmart exports their products to China to be made. This is causing a large amount of job loss in America. In the same article written by Robert E. Scott he states, "The total U. S. trade deficit with China reached \$235 billion in 2006. Between 2001 and 2006, this growing deficit eliminated 1.8 million U. S. jobs." Walmart is China's number one customer and if it were a country, it would be their fourth largest trade organization.

Walmart imports 36 billion dollars of imports from China and only exports 3 billion dollars of supplies to make their products. They earn a bigger profit on products made from China and they are importing new products to make a profit also. Walmart's so-called "everyday day low prices" are more of a scam just to get you to buy their products. They do this by pricing making everything a low price so that you think it is the lowest price. With Walmart's barcode system, they can easily scan a product and know what's being sold and how popular it is.

Many businesses use this same barcode system but none as efficiently as Walmart has. In the Walmart frontline article, Walmart's former manager Jon Lehman explains what Walmart is able to do, "track sales on specific items," <https://assignbuster.com/is-walmart-good-for-america/>

specific weeks, specific days, specific hours of the day, when they sell merchandise the most. " This means that Walmart can easily know what products to mark down prices of and when, so they they can take your money. According to Professor Bonacich this has caused the relationship between Walmart and it's manufactures to change.

In the same Walmart frontline article, Professor Bonacich states " Walmart knows what is being sold and what prices are popular, so they are able to say 'We want to sell this at a certain price. You make it a certain price, to we're not going to work with you. '" So Walmart is basically threatening it's own manufactures so that they can price the products at what they want. For example Walmart refused to take the increased prices of Rubbermaid, do they dropped some of their products. Walmart what's what it wants and they will do anything to get it, including destroying America's economy.

Walmart employs 1. 4 million people in the United States and the average employee makes only \$11. 75 an hour and adds up to about \$20, 744 dollar year. Walmart is so fixed on making money that they can't even pay their workers a worthy amount of money. The national average for retail employees is \$12. 04 an hour, which is not much, but is still more then Walmart pays. Even the total profit a year for Walmart employees is below average, because the poverty line in America is at \$22, 000 for one earner in a family.

When these family's don't have much money, they aren't really spending much money. Which means there isn't a lot of money going back into the economy. After doing all of this research, I still believe Walmart is bad for America. They are to worried about making money for themselves, that they

<https://assignbuster.com/is-walmart-good-for-america/>

don't consider the fact that they are destroying our economy while funding China's. They are sending our jobs to china while paying their workers less than average in America. They are scamming is with their " everyday low prices. "