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With the allegations flying fast and thick against large companies like Wal-Mart, the issue of corporations is under scrutiny. Are the corporations of this modern world reaching the corruption of the 19<sup>th</sup> century monopolies that people worked so hard to end? How cost-effective are these companies and are the way they treat their workers worth the large retail value of the stores? These are questions that need answers and close scrutiny of the evidence is the way to make sense of the problems.

As Wal-Mart has proven, the use of globalization has made retail stores capable of cost-effective business that provides the customer with cheap products. The mode of attack is to buy goods at the low prices only offered by foreign companies, mark them up slightly, and then sell as many of them as possible. This allows for the quantity to make up for the only slight profit made on each item. As the foreign producers become better and better at making their product, the retail stores are getting excellent quality goods for cheap prices. This, in the end, gives the customer well made materials for a price that can't be beat by any small, localized store. This is the problem, then: because corporations are so cost effective, small stores cannot compete and so the products of America are being drowned out by the available goods being sent from China, India, and other growing countries. It is at the expense of the United States' personal economy that retail corporations make their profit. However, it cannot be denied that these retail stores have used the system to become cost-effective giants that offer the most convenient shopping to the consumers.

The issue now at hand is whether or not the retail corporations have become cost-effective at the expense of their workers. More specifically is the question of how close the modern retail stores have come to the behavior of the corporations of 19<sup>th</sup> century America. The mere fact that these companies have a standard of minimum wage to follow, proves that they are, in fact, better off than their predecessors. The workers of the 1910s and 20s were fighting to get just that law passed. They didn't have the right to get a certain amount of money. Nowadays there are standards set, by the government, to force the stores to give their workers benefits. On average, Wal-Mart workers are making almost double what the minimum wage of most states is. Also, unlike the old businesses, stores like Wal-Mart offer health care that the workers can avail themselves of. Due to this, there is a noticeable difference in the standard of work between the two eras.

In response to the allegations against the retail stores, it can be said that the decision of what is sufficient pay for the amount of work done, is not the corporation's job to figure out. The government should be making that call and the pressure should not be on Wal-Mart and others but on the lawmakers. The fact that, say, New York state's minimum wage of \$6.75 dollars is not enough to live on in America, is a problem of the government and should be addressed at that level not by the corporations. Once again, the corporation's focus is to be cost-effective and to do so it pays its workers what it needs to, to still make a profit. It is the retail stores of today that actually pay more than they have to, proving that there is a difference between their work conditions and the tenement living and harsh factory jobs of the immigrant workers of one hundred years ago.

Wal-Mart and other retail stores have capitalized on a market that is defined by low costs and decent quality. Even the workers who are up in arms against Wal-Mart admit that they do most of their shopping at Wal-Mart. Why? Because their employer offers the best prices around. Without stores like Wal-Mart, the common consumer would have to spend their money buying products that cost much more for the same quality of work. Even though the wages might not be as good as they could be, things are balanced out by the cheapness of the goods. The middle and lower classes, which will always be a part of economic society, are catered to by Wal-Mart making sure they can keep their prices reasonable.

It is a cycle of money that flows from the retailer to its workers and then back to the retailer. If one was to cut out the retailer, the workers would be out of a job and because they are unskilled, they would get a new job that has low pay as well. However, because the stores that offer the best prices are gone, the workers would be unable to purchase items that they can afford. It is more beneficial for them either to get the education to become a skilled worker or stay in the unskilled labor of the retail stores and help provide low cost products. Since a good education is sometimes implausible, the latter choice is usually the best option.

Modern retail corporations have improved in all ways from their ancestors of the factory companies. However, there are still issues of work conditions that can be addressed. For example, the fact that some retail stores keep their workers past hours can be easily stopped without a loss of store functionality. With better hours, workers will be more willing to work harder during their regular hours, thus making up for lost time. Also, if retail stores practice profit sharing, workers would have incentive to work hard

toward sales and would also have extra money that would help out with the low wages. Small things like this would provide work relief and also better work ethic. Both sides win and there would be, in general, better work relations.

Retail stores are an essential part of the capitalistic lifestyle of the modern American. They offer low prices that make their businesses cost-effective as well as giving good products to the average consumer. All of this, of course, comes at a cost. This cost is the fact that the workers for the stores aren't the best paid in the world. However, to say that these companies are comparable to the jobs of old is inconceivable. The work conditions of modern jobs, regardless of company, are too good for such a case to be made. America is the best off country in the world and so retail stores can continue their methods because there is a consumer population that is willing to buy their products. It is capitalism at its best and to stop it, one would have to change the very framework of the nation's economy.