Subject: Re: Enlightening article on Wal Mart
Posted by Thermionic on Thu, 02 Dec 2004 16:01:53 GMT
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When Sam Walton was alive, Wal Mart had much less foreign made garbage. AAMOF, everything about them was different (and IMO better!) Wal Mart has helped to create this current situation with Chinese made goods. One of my closest friends knows some people who have been involved with Wal Mart at rather high levels (we live in western Arkansas). They claim that as the company got bigger and more powerful, they began to screw a lot of U.S. companies out of business, or else force them to move their plants to foreign soild. Wal Mart would approach a domestic company and strike a deal with them for a million widgets a year at $10 each. Not being stupid, Company X didn't look a gift horse in the mouth and would always jump at the opportunity of a free meal ticket. But since Company X didn't have the capability to produce a million widgets a year, they knew they'd have to expand.After a few years in their huge new facility, Wal Mart would approach them at yearly contract time and say, "Ya know, we're just paying too much for these widgets. We're going to give you $6 each, take it or leave it." Well, now they have Company X bent over a barrel. They have a huge plant with enormous overhead, and Wal Mart is 70% of their business. At this point, if they lose them, they've lost the whole shootin' match. It's O-V-E-R.The numbers on paper say they can't sell their widgets for $6, so what to do? Their choices are to either lose their bread and butter customer and go back to the small time; not really an option. OR..... shut down that facility and move all their equipment to Mexico or China, and all those American jobs with it. Not only are American jobs lost, but U.S. government revenue from income tax, those workers' insurance and investment plans, and their hopes and dreams. Plus, all that dough is now going into the Chinese economy, not ours. Guess what the commie government is spending it on? Why, building the largest military force in the history of the world, with a few thousand nukes pointed at every free capitalist nation on Earth! Courtesy of your friendly neighborhood Wal Mart..... Of course, the other side of that story is that we cheapskate Americans have also had our hand in creating the situation, too. People are no longer interested in quality, just as long as it's cheap.Thermionic