

Big Business vs. Social Responsibility

By Deneen Weinz

Last week, Chicago's nationally acclaimed "Big Box Ordinance" sent a loud message to big business. The ordinance requires "big box" stores with at least 90,000 indoor square feet and annual revenues over a \$1 billion to pay \$9.25 hourly plus \$1.50 in benefits, up to \$10 hourly and \$3 in benefits by 2010.

Supporters claim a major victory, opponents says the ordinance is a major blow to further retail development and job creation within the city. This ordinance divided the races, unions and City Hall. Opponents of the bill are posturing with legal challenges to the ordinance.

Mayor Richard M. Daley reportedly opposes the ordinance in favor of development. By a 35-14 vote, his veto powers are ham-



Ald. Ricardo Munoz, (22nd) left, and Joe Moore (49th) leading sponsors of the Big Box Living Wage ordinance, join religious and anti-poverty interests in a march around City Hall the night before its passage.

Suzanne Hanney photo

1,000 times that of the majority of its workforce. Wal-Mart's Chairman S. Robson Walton addressed the issue of a "relatively flat" stock price, despite record sales and earnings in their latest

petitive disadvantage." Big retailers have received millions of dollars in tax savings, billions in revenue and millions for their top employees and shareholders. Retailers will now have to decide to either do a smaller store or go the suburban areas outside of the city limits. Some opponents of the ordinance cited that their constituents needed local jobs in their local communities. Once again people who need work face barriers in transportation if the stores were located in suburban areas.

The social implication of paying low wages is far reaching. The working poor cannot afford to purchase homes, pay for college or arrange for quality health care services.

These same corporations are paying pennies for their products, by taking the jobs overseas, then add insult to injury by offering thousands



The Northalsted Market Days are August 5 and 6. See a complete listing of events on page 7.

Englewood voices demands for police

By Tasha Lynette Clopton

Annoyed at Police Supt. Phillip Cline's absence from a community meeting regarding violence in the Englewood neighborhood, the Association of Community Organizations for Reform Now (ACORN) proceeded with its July 26 meeting at Kennedy-King College anyway. The meeting was called in response to Cline's request that "more than 15 people be present" before he would meet with residents, according to ACORN member and meeting emcee Geno Blackmore. Over a hundred people filtered in and out of the two-hour meeting.

In Cline's place, Captain James Paoletti, Day Watch Commander of the 7th district, addressed the gathering. He noted that Cline has requested federal law enforcement resources from U.S. Sen. Barack Obama (D-IL) and U.S. Sen. Richard Durbin (D-IL), including ATF agents and postal inspectors. "There are some investigations being launched," Paoletti stated, adding that he was not at liberty to discuss them. "I've been here 5 1/2 years. It is better today than it was 5 1/2 years ago."

The fact still remains, low wage jobs cost every taxpayer in the end. Top executives garner millions of dollars per year to work at big box retailers and a small faction become super-rich. The core issue with big business and social impact rests in who is really absorbing the cost of their businesses. Taxpayer supported food stamps, rental assistance, child care and health insurance are being used to supplement low wage workers.

In the case of Wal-Mart, 38 per cent of their 328,620 shareholders are institutions and nearly 40 per cent is held by the founding family members. The compensation of Wal-Mart's CEO is nearly

Wal-Mart 2004 hourly pay

Wal-Mart CEO H. Lee Scott, Jr.
(based on \$17,543,739 per year, 40 hours per week) \$8,434.49/hour
Average Full-time U.S. Wal-Mart Employee \$9.68/hour

Select Wal-Mart subcontractors:

Bangladesh \$0.17/hour
China \$0.17
Indonesia \$0.46
Nicaragua \$0.23
Swaziland \$0.53

Source: Institute for Policy Studies

Thelma Andrews, second from left in front, leads a group from the Ministers Coalition for Jobs and Prosperity in saying "don't box us out." Andrews called Target and Wal-Mart "starter jobs for our teenagers and women."

(Suzanne Hanney photo)

annual report. The report further stated that "if we continue to focus on serving our customers and taking care of our associates, the stock should reach its appropriate valuation."

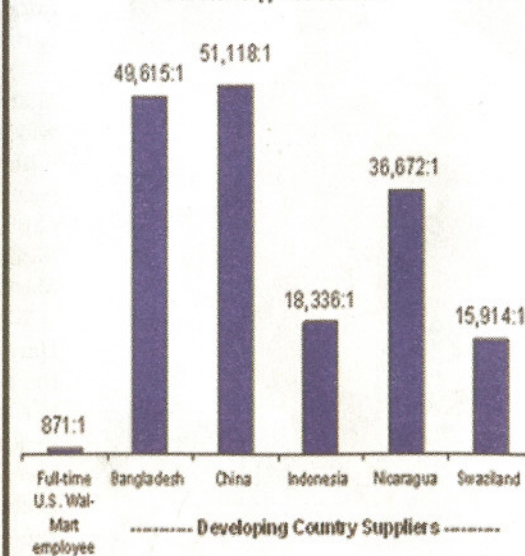
Supporting employees is critical for every economy that big business penetrates. In cities such as Chicago, the cost of living starts at \$13 an hour. Supports send a clear message: responsible corporations must realize and recognize the need to do their part.

Long-term implications of the ordinance remain to be seen. Wal-Mart Sr. Vice President of Store Operations Michael Lewis said, "Chicago is closed for business, closed for development and closed for job creation." Lewis said that doing business in Chicago creates challenges with a "discriminatory marketplace and a com-

never and cannot be outsourced overseas. Big box retailers have threatened to pass costs on to consumers if required to pay higher hourly wages. This strategy sends a loud message from retailers: We want to keep the wealth with the corporation and shareholders regardless of how it impacts the community.

Residents of Chicago want and need work. At a recent Evergreen Park Wal-Mart store opening, more than 25,000 applied for 350 jobs. Wal-Mart spokesman John Simley also told StreetWise that 12,000 people applied for the 400 jobs at the West Side store still scheduled to open September 19. Whether or not you support or oppose the ordinance, the question of social responsibility of big business begs to be answered.

Pay Ratios between Wal-Mart CEO and U.S. Wal-Mart employees and workers for Wal-Mart suppliers overseas



Source: Institute for Policy Studies

residents to be patient. "I'm not saying that it's a place that you can sit on your front porch without worry." Citing the economic development that is occurring in the neighborhood, Paoletti added, "What I am telling you is that change is coming to Englewood."

Paoletti left the meeting before the four demands made by ACORN were announced:

1. Direct cell phone lines to the police department – at least 40 in each neighborhood, (citing the need for anonymity as land line calls expose residents' contact information)
2. Installation of an anonymous hotline to contact the police department, 24 hours per day and 7 days a week,
3. Police officers visibly walking and biking in the Englewood neighborhoods,
4. Random traffic stops in an effort to deter crime.

Other officials in attendance included state Reps. Mary Flowers (D -31st), and Ken Dunkin (D -5th), and state Sen. Mattie Hunter (D-3rd). Notably missing were five of the six aldermen serving the Englewood community*. Only Alderman Shirley Coleman of the 16th ward attended Wednesday's meeting, prompting angry comments from citizens.

"That's the interest they show in our community," one attendee declared. Donna Roberts, co-chairperson of ACORN's Englewood Auburn Gresham District, was more forgiving. "I'm giving them the benefit of the doubt, due to the fact that we were all day down at City Hall," Roberts said in reference to the "big box living wage" ordinance passed by the City Council Wednesday. "The next one that we have, we're expecting them to be here."

Resentment of Cline's absence was unified, however. "If he's really interested in the Englewood community, what's his problem?" asked Roberts. She added that Cline alerted ACORN two days before the meeting to say that he was sending a representative.

In response, ACORN plans to convene on police headquarters to demand a meeting with Cline. The members will meet at Kennedy King College, Thursday, August 3 at 10 a.m. to be bused to police headquarters.