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A Toulminian Analysis of Arguments within the Wal-Mart Crisis

Brooke Ulrich

Southern Utah University

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Chapter 1

Introduction

With the current United States economy struggling, supporters say Wal-Mart helps those in need by providing a cheaper price for necessities. Others bicker that the presence of Wal-Mart does the reverse by forcing companies out of business among other issues. Wal-Mart claims to provide a lower price, but does that price cost the public? Local merchants get run out of business, employees are on federal assistance, and Wal-Mart utilizes outsourcing to China that shows disrespect to USA made goods. These are just a few of the hot topics that are all part of the argument that this thesis will examine. The thesis also studies both sides of the crisis using: Wal-Mart's website to present their side of the story located at www.walmartfacts.com and anti-sites located at www.wakeupwalmart.com and www.walmartwatch.com. Although the giant would not comment, I believe the sources examined provide excellent insight to the core of Wal-Mart's campaign against unions and the on-going struggle that unions have with the chain. In order to present the entire picture of the Wal-Mart crisis, I will first provide a brief history of the company illustrating what Wal-Mart has to lose in this battle. Then secondly, I will discuss the thesis rationale and provide a brief outline of the arguments from both sides. I will then review the argument literature and discuss history of argument, applied examples in organizational argument, studies on Wal-Mart, and organizational crisis literature. Next, I will discuss the method used and will proceed with the analysis, discussion and conclusion.

Wal-Mart's Beginning and Growth

Sam Walton founded Wal-Mart in 1962, and it developed into a multi-million dollar company almost instantly. The chain now serves approximately 176 million customers each week and currently has 1.8 million “associates” worldwide with 1.3 million in the United States (Wal-Mart Inc., n.d.). Walton’s “quest” to give customers products for low prices was a natural strategy because he was a bargain hunter himself, and was reported to be “freakishly cheap” (Frank, 2006).

Walton was born in Kingfisher, Oklahoma in March of 1918, and learned the value of work by delivering newspapers and selling magazines when he was young (Tong & Tong, 2006). He served as the student body president of Hickman High School and later graduated with a degree in economics from the University of Missouri (Fitzgerald, n.d.). Walton has been called “America’s favorite shopkeeper” (Time, 1992) and is known for being a “leader not a follower” (Fitzgerald, n.d.). His team-based managing style drew people to him. “His extraordinary charisma...motivated hundreds of thousands of employees to believe in what Wal-Mart could accomplish” (Huey, 1998, p. 2). One of Walton’s most famous quotes is "individuals do not win, teams do" (Freshthinking Business, 2006).

In 1962, Walton opened the first Wal-Mart store in Rogers, AR, and the corporation began to grow rapidly, and in 1970, the company opened their corporate offices in Bentonville, Arkansas. In the same year, Wal-Mart went public and began to sell stocks. Only twenty years later, Wal-Mart’s sales had grown to 8.4 billion dollars (Wal-Mart Inc., n.d.).

On March 17, 1992, President George Bush awarded Walton the “Medal of Freedom,” which is the top civilian award anyone can receive. He passed away only 21 days later on April 5, 1992 (Wal-Mart Inc., n.d.). Although Sam is no longer the CEO of the chain, Wal-Mart’s success continues to grow.

[By the end of 2005] Wal-Mart Stores, Inc. closed out the year with \$312.4 billion in sales, while expanding to more than 6,200 facilities around the world, including 3,800 stores in the United States, along with 3,800 international units. Around the globe, [Wal-Mart now has] a strong presence in Argentina, Brazil, Canada, China, Costa Rica, El Salvador, Germany, Guatemala, Honduras, Japan, Mexico, Nicaragua, Puerto Rico, South Korea and the United Kingdom. (Wal-Mart Inc., n.d.)

“Wal-Mart is the largest company in the world” (Cohn, 2005). In 2005, Wal-Mart opened 267 new “supercenters” in the U.S., five centers each week, which equals one “every business day of the year.” In fact, “Wal-Mart is as big as Home Depot, Kroger, Target, Costco, Sears, and Kmart combined” (Fishman, 2006).

Even customers who do not shop at Wal-Mart experience some consequences to the store because of the pressure Wal-Mart brings to its competition. “Wal-Mart lowers prices and not just for people who shop at its stores, but even for people who aggressively avoid Wal-Mart” (Fishman, 2006, p. 15). Because of ill consequences outlined in this thesis, Wal-Mart’s presence has begun to be questioned.

Chapter 2

Thesis Rationale

What is America? America is a place where a small town “anyone” has the chance to start a business that could grow into an international super giant. Could it happen? As discussed above, Sam Walton believed and did just that. “Wal-Mart is a near perfect example of capitalism, which itself can bring both good and bad” (Featherstone, 2006, p. 62). America is also a place where people demand to be treated well. Should one large business be allowed to run small businesses into the ground? Should businesses treat their employees a certain way? Some say, “Wal-Mart is a threat to everything rightfully and authentically American.” (Featherstone, 1996, p. 62). This argument is what my thesis is about. Wal-Mart supporters argue for the chain-a capitalistic monstrosity. Capitalism is what America is based on, and Wal-Mart is almost a nation of its own. “Is not what Wal-Mart does the nature of capitalism? Why would anyone be angry about that? Capitalism is what this country was founded upon. If the poor, downtrodden, Wal-Mart worker does not like company practices. [sic] Get an education (high school, college, professional degree) and work somewhere else.” (Wakeupwalmart.com, 2005, In the news page)

Anti-Wal-Mart protesters argue against the chain. A public socialist argument in a capitalist society is fascinating! The quote below is an excellent synopsis of what is being said about the chain:

“Thousands of lawsuits against the company allege serious workers’ rights violations, ranging from child labor to sex discrimination. Labor unions, church leaders, economists, state governments, and many other players have

been raising questions about Wal-Mart's low wages and light benefits: Are they a helpful efficiency passed on to the consumer; inhumane and exploitive to the worker; burdensome to the taxpayer, who must foot the bill when the company's workers need supplemental food stamps and Medicaid?

(Featherstone 2006)

On the other hand, Wal-Mart supporters think the hilarious arguments are a waste of time. The company's vice president of corporate affairs said, "Wal-Mart is known for being extremely frugal with its dollars. We are. And we pass these savings on to our customers. That's common knowledge" (Shinkle, 1994, p. 17). On the other hand, watchdog groups believe their arguments are making headway and instigating change.

In America, in order to live the dream of success, Sam Walton's business plan has been applauded. He says it himself that in order to maximize profits, the "overhead" of employee pay should be minimized. Some may say that it is a simple business practice to only pay the employees as much as it takes to keep them there (Walton & Huey, 1992).

Most would agree that Wal-Mart is an international "Goliath" (Featherstone, 2005) due to the company's size and power. The arguments between union-funded organizations and Wal-Mart attracted my interest because on one hand, America stands for free enterprise of business, making a buck, working hard, and maximizing profits, but America also needs low prices for those in need. Anti-Wal-Mart supporters have painted the workers as the "victims" in this crisis, although Wal-Mart argues that their employees come to them without effort. The employees are paid

more than minimum wage, and they argue that they provide essential benefits to their employees.

Sam Walton worked hard to provide products at low prices for customers, and some believe that low prices are at a higher cost than imaginable. Critics say the Wal-Mart Corporation is willing to sell products cheap at the expense of others, such as their employees and the downtrodden Chinese workers making pennies by the hour. This debate spreads deeper than most average Americans know. The disagreement is hotter, uglier, and as ruthless as ever. Labor union funded attacks and anti-Wal-Mart activists are increasing daily and the Wal-Mart Corporation seems to grow by the minute. In January 2008 at the beginning of the year speech, CEO Lee Scott announced:

We have so much to be proud of here at Wal-Mart. Perhaps more than ever before, we are delivering on our core mission to save people money so they can live better. And we are doing so at a time when people here in the U.S. and in all the countries we serve need us most. (2008)

Both Wal-Mart and anti-Wal-Mart supporters supply evidence for their claims, and both sides believe they are right. Although arguments usually take place head to head, this argument is unique. The arguments are never actually debated with the other party present, each party has their own website to explain their arguments, and each counter argues about the other's allegations. Arguments online can be found in chatrooms, on blogs, in documentaries, through e-mails, and listed on web-pages. The Wal-Mart argument is unique because its home is the World Wide Web.

Obviously Wal-Mart's arguments contradict those from its union-organized opponents, but these arguments are distinctive in that they are opposite from its competitor's. One side says one thing and the other side says the exact opposite. For example, unions accuse Wal-Mart of providing horrible health benefits to their employees, but yet Wal-Mart claims to offer affordable health care to all their employees. Arguments from both sides are extremely fascinating because both sides have underlying reasons why they make such claims, and this thesis will examine arguments from each side. Although arguments concerning Wal-Mart are accessible, rhetorical analyses are scarce in examinations of organizational arguments.

Arguments against Wal-Mart are numerous. In fact, for the last several years, anti-Wal-Mart protesters, some of whom are current Wal-Mart employees, have launched an all-out war against Wal-Mart. Two main official anti-Wal-Mart websites have emerged, walmartwatch.com, which is funded by the Service Employees International Union (SEIU) and wakeupwalmart.com, funded by United Food and Commercial Workers (UFCW). These two websites are full of anti-Wal-Mart narratives, anti-Wal-Mart research, and tactics to change Wal-Mart. The website wakeupwalmart.com reports 432,798 (as of September 3, 2008) active anti-Wal-Mart registered supporters and is rising by the minute (Wakeupwalmart.com, 2005). In fact, almost every time the web browser is refreshed, the number increases by a few.

Wal-Mart is close to a monopoly and critics argue that the struggle is unfair to its competitors. "Some people have wondered whether the government will break up Wal-Mart because it is too big and powerful" (Tong and Tong, 2006), and the impact of this battle could be detrimental to Wal-Mart. Not only could Wal-Mart lose

customers and lose brand equity, the larger issue is that Wal-Mart could lose control over its employees. If employees unionized, Wal-Mart would be held to the strict rules that unions uphold. Wal-Mart would have to change its wages significantly, would have to change its benefits to be better and would have to pay the unions' fees.

“Public relations literature is littered with case studies of organizations which lost brand equity, suffered damage to products, [and] services” due to crisis situations (Millar and Heath, 2004, p.1). Consequences of crisis situations can result in “death of the organization’s reputation and perhaps itself” (p. 2). Wal-Mart’s situation is a little more complicated and detrimental in this case. They are the LARGEST employer in the world. Wal-Mart is in a crisis situation whether they want to admit it or not, and most of this crisis takes place in cyberspace.

Crisis exists in the new communication technology age-cyberspace-when you read allegations on a Web site or in an email about your personnel, organization, products, or services that are absolutely untrue. Rumors are a special kind of crisis-at times even more provoking in cyberspace. Rumors are often not based on fact but are frequently based on narrow misinformed interpretations of fact. (Millar and Heath, 2004, p. 3)

Although Wal-Mart’s rivals would not agree that their allegations are not based on fact, this crisis seems to fit into the above category. Wal-Mart seems to have the same opinion and tries to discredit whoever attacks them. Wal-Mart goes full bore against their accusers. Even at customer service counters across America, Wal-Mart has added signs that say, “If you want to know the FACTS about Wal-Mart, ask us.” Wal-Mart also has its own counteractive website at walmartfacts.com to explain the

stance of its corporation and offer defensive material, and the site provides “fact sheets” to give their side on the controversial issues (Walmartfacts.com, n.d.).

In 2005, Lee Scott, the current CEO of Wal-Mart, began “an aggressive nationwide campaign to correct...misimpressions Americans have of Wal-Mart” (Fishman, 2006, p. 16). Through several different media channels, Wal-Mart is attempting to tell their side of the story and as the old saying says, “set the record straight.” On Jan. 8, 2007, Wal-Mart launched two new television commercials attempting to inform their customers of the company’s “positive impact on communities” (Walmartfacts.com, n.d.). Unfortunately one of their main claims of these ads was false. In March 2008, the National Advertising Division of the Council of Better Business Bureaus told Wal-Mart to cease claiming that the average American saves \$2500 a year by shopping at Wal-Mart. When the claim was investigated, researchers found that the chain does save Americans but this particular study did not report savings from shopping at the store directly. The findings report that prices of goods are decreased in other stores to compete with the chain. So, the study concludes that the mere presence of the chain saves American’s \$2500 annually. For example if Wal-Mart can come into a community and offer a gallon of milk for 2.50, then Albertsons will have to lower their prices on milk also, so they can hopefully keep customers coming (Neff, 2008).

Critics bash the company increasingly and claim that Wal-Mart is losing. In a recent article, James J. Cramer (2006) said, “Just as the demonizing of the world’s largest retailer hits its peak, Wal-Mart, as a company, may be falling apart” (p. 1). In fact, the same author reports that Wal-Mart stock “has flat-lined for seven years now”

(p.1). Bhatnagar (2006) agrees with a similar statistic that Wal-Mart stock “has been range bound between \$40s and \$50s for the past six years.” Perhaps anti-Wal-Mart activists are impacting the retailer (see Figure 1).

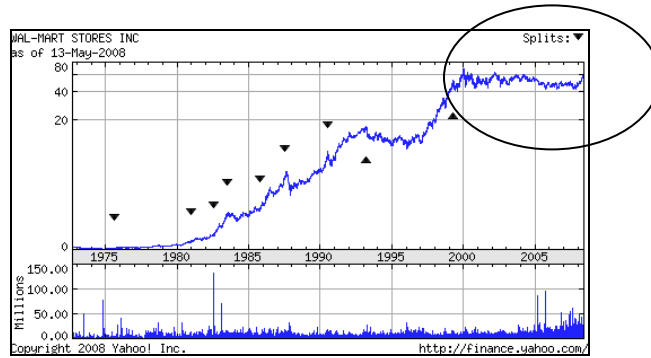


Figure 1

Critics say the retailer “is in a bizarre state of denial” (Wakeupwalmart.com, 2005). CEO Lee Scott did not mention the stock’s embarrassing performance to an interview with Frontline (2004), although he did mention the company’s growth “year after year.” Actually, evidence may indicate the retailer is taking a hit due to its recent allegations from watchdog groups. For example, Wal-Mart fell from fortune magazine’s most admired companies No. 1 in both 2003 and 2004 to a No. 4 in 2005 and a No. 12 in 2006 (Bhatnagar, 2006). In 2007, Wal-Mart barely scraped into 19th place and in 2008, Wal-Mart did not even make the top 20 (Fortune, 2008).

Layout of Arguments

As was illustrated above, Wal-Mart’s arguments and activists’ arguments do not agree, and I will briefly layout the main arguments from both points of view presenting the severe contradictions. The six main arguments involve: wages (whether good or not), health care/benefits (good or not), diversity (if they discriminate against women and other races), community impact (whether they

impact the communities positively or negatively), international outsourcing (are non-USA made goods a good or bad thing), and environment impact (does Wal-Mart hurt or help the environment).

Wal-Mart argues that it provides a powerful service to those with which they are involved. Their main stance in each area is: 1) - Wal-Mart creates thousands of jobs each year, and Wal-Mart's average full-time wage is \$10.83 per hour (which is much higher than minimum wage) Walmartfacts.com, n.d.). 2)-Wal-Mart offers health insurance for less than a dollar a day (\$23 per month), offers employee discounts, and bonuses. (Wal-Martfacts.com, n.d.). 3)-Wal-Mart is a diverse employer and is dedicated to diversity (Wal-Mart, n.d.). 4)-Wal-Mart benefits communities by providing products at low prices, by saving the average American household more than \$2,300.00 a year, and by donating more than \$245 million to organizations in need last year (Walmartfacts.com, n.d.). 5)-Wal-Mart has a positive international presence that assists customers and workers throughout the world (Wal-Martfacts.com, n.d.). 6)-Wal-Mart is environmentally friendly and continues to open ecologically aware stores throughout the nation (Wal-Mart, (n.d..).

Wal-Mart's Stance on Wages

First, Wal-Mart describes its wages as "competitive," and the chain provides 1.9 million jobs throughout the world. The fact sheets also discuss the amount of jobs Wal-Mart provides. The chain excitedly claims to produce thousands of jobs every year (Walmartfacts.com, n.d.). Wal-Mart is not afraid to announce its average full time wage of \$10.83 per hour, and potential employees flock to apply when Wal-Mart stores open. In fact, at a recent store opening in Evergreen Park, Illinois, more than

25,000 people applied for 325 available positions (Wal-Martfacts.com, employment and opportunity).

Wal-Mart's Stance on Benefits

The second argument from Wal-Mart is that they spend millions on benefits every year and gladly announce how much they are spending on employee benefits. “In Fiscal Year 2006, Wal-Mart is projected to spend roughly \$4.7 billion on associate benefits. For perspective, Wal-Mart’s net income for Fiscal Year 2005 was \$10.3 billion” (Wal-Mart, n.d.). Wal-Mart provides more than one million people with affordable health coverage. Therefore, Wal-Mart is among the largest health coverage providers in the nation. Wal-Mart’s health plans are as little as \$11 per month in certain areas and \$23 per month anywhere in the United States. Wal-Mart also proudly offers benefits to both part-time and full-time employees. They also flaunt their employee discount card, bonuses and incentive plans.

Wal-Mart's Stance on Community Impact

Third, Wal-Mart argues that it helps communities by providing products at lower prices than anywhere else. Wal-Mart wrote, “We know that customers want what we have to offer,” and “In the end, the customer should have the opportunity to decide where to shop” (Hudson and McWilliams, 2006). Wal-Mart now serves approximately 176 million customers globally each week (Wal-Mart, n.d). “At Wal-Mart, we’re proud of the positive economic impact we have on communities—from the job opportunities we provide to the money we save working families; and from the tax revenue we generate to the contributions we make to local charitable organizations” (Wal-Mart, n.d.).

People shop at Wal-Mart to get products at affordable prices. Wal-Mart wrote, “Our union-funded critics in Washington, D.C. should stop attacking Wal-Mart and let working families decide where to work and shop” (Wal-Mart, n.d.). As consumers, Wal-Mart has changed our perspective on prices. We now “expect” low prices. Wal-Mart’s presence in America allows consumers to get products at significantly lower prices than most other stores. An independently-conducted study found that Wal-Mart “saves the average American household more than \$2,300 per year” (Wal-Mart Inc., n.d.). Now more than 90 percent of Americans live within 15 miles of a Wal-Mart (Fishman, 2006).

In a recent blog, one consumer said, “If you want to feel good about helping the poor, donate to a charity. If you want to make a positive and instantaneous difference in the lives of the poor, make sure they have access to a Wal-Mart” (Martinez, 2006). People, who have access to a Wal-Mart, even if they are poor, will have the ability to buy necessities for lower prices than anywhere else. Wal-Mart also claims to utilize many USA made products. In fact, the company claims to support 3 million American jobs by selling their products in their stores.

Wal-Mart also donates millions of dollars to charities every year. In 2007 Wal-Mart gave more than \$296 million in charitable contributions to many different local communities. Wal-Mart calls local community donations a place where they “can make the most impact on improving people’s lives.” They believe their donations help impact communities in positive ways (Corporate facts, Wal-Mart stores).

Wal-Mart's Stance on Diversity

The fourth argument from Wal-Mart is that “diversity is a way of life” in their corporation. The chain claims to show commitment to diversity by employing diverse people and claims to put diversity as one of the company’s “top priorities” (Wal-Mart, n.d.). “Wal-Mart is the nation’s largest private employer and a leading employer of minorities, with more than 237,000 African American associates; more than 154,000 Hispanic associates; and more than 256,000 seniors who are 55 or older” (Walmart, n.d.).

The company claims that diversity is a crucial part of their success. Managers are trained in diversity and are rewarded for hiring diverse employees.

Wal-Mart's Stance on International Relations

The fifth argument from Wal-Mart is that the company has a strong international presence and through this presence it provides products at cheaper prices. The company touts providing thousands of jobs overseas. The chain claims to utilize sources from 70 different countries world wide. They also claim to have many USA sources.

We buy apples from Washington, pumpkins from Illinois, bacon from Minnesota, barbecue from Missouri, and many other products from every corner of the country, and we sell them locally and nationally in our stores.
(Wal-Martfacts.com)

The company claims that by providing “Everyday low prices,” it should not matter where the products come from.

Wal-Mart's Stance on Environment

The last argument from Wal-Mart is that the chain claims to be an industry leader in environmentally friendly research and implementation. The chain has set high goals to improve their impact on the environment and freely announce their plans. One of these main goals is to produce zero waste in their stores. “We believe that corporations can develop and implement practices that are good for the environment and good for business. We’re making amazing strides in this endeavor and we’re doing more everyday” (Wal-Mart, n.d.). The chain opened two “green” stores to test how much the company could change the current structures and make their stores more environmentally friendly.

As illustrated above, Wal-Mart’s stance on the critical issues makes the company seem impeccably perfect. Unfortunately, no organization is perfect, and critics are quick to attack, especially if they can benefit from those mistakes. Wal-Mart believes the presence of the corporation in any community is positive. On the contrary, thousands of union based anti-Wal-Mart supporters are trying to revolutionize the company’s policies, benefits, wages, community impact and many more. I will first briefly address who these enemies are and then to illustrate the above point, I will discuss each argument briefly to show the contradicting connections between the competing enemies.

Unions and Wal-Mart have had a rocky relationship from the start. Walton understood that a major requirement for keeping costs down was minimizing overhead and that meant controlling the costs payroll. As he would write in his 1992 autobiography, *Made in America*, “No matter how you slice it in the retail business,

payroll is one of the most important parts of overhead, and overhead is one of the most crucial things you have to fight to maintain your profit margin." Not only did Walton prefer to hire as few people as possible, but he also dreaded paying them more than he had to. Unions were particularly feared, and Walton did everything he could to fight them, almost always successfully (Frank, 2006).

Unions have attempted to gain control over Wal-Mart employees in many instances. A classical example took place when the meat packers of Wal-Mart unionized. (Demetrakakes, 2003). Soon after, Wal-Mart announced that it would no longer be cutting its own meat and switched to pre-packaged meats only. Other instances have been documented that Wal-Mart has shut down shopping centers for good because employees have unionized. In order for employees to be part of a union, a vote must take place. The ballots are secret, but watchdog groups are persistent in their claims that Wal-Mart threatens their employees. When a union vote is happening, supposedly Wal-Mart has official anti-union dispatch members that come to the rescue if unionization is beginning.

Wal-Mart has millions to lose and Unions will gain thousands in union fees if employees unionize. Unions would not confess that money might be the reason why they are so against the chain. They claim that their main purpose is to protect employees. Therefore the battle is ruthless. They are both full-blown, head to head, against each other. "Unions have a substantial impact on the compensation and work lives of both unionized and non-unionized workers" (Mishel & Walters, 2003) The unions claim to raise wages by about 20% and assist in negotiating other benefits for their workers also. "Unionized workers are more likely than their non-unionized

counterparts to receive paid leave, are approximately 18% to 28% more likely to have employer-provided health insurance, and are 23% to 54% more likely to be in employer-provided pension plans” (Mishel & Walters, 2003). As you can see, if unions got their hands on the two million Wal-Mart workers, imagine the wage hike and benefit costs for the giant.

As noted above, the arguments from protesters, who are mostly unions, are contradicting from Wal-Mart’s stance on the same topics. The six main arguments from anti-Wal-Mart protestors are: 1)-Front line employees that work at Wal-Mart are paid “poorly” and are not paid a living wage, 2)- Wal-Mart does not offer affordable health care plans to its employees, 3)-Wal-Mart discriminates against women, minorities, and elderly in the workplace, and Wal-Mart consistently ignores labor laws, 4)-Wal-Mart ruins communities by running competing businesses into the ground, 5)- Wal-Mart buys most of its products abroad and does not support American jobs, and 6)-Wal-Mart contaminates the environment by polluting air and water.

Anti-Wal-Mart Activists’ Stance on Wages

First, activists claim that Wal-Mart pays their employees horribly, and although Wal-Mart announces their average wage to be \$10.83 hourly, watchdog groups are unsatisfied with that statistic.

The store has never, however, published its median wage -- a data point that would give a clearer sense of what workers earn. Instead, the store uses misleading language that masks the fact that managers earn higher wages than floor workers -- a fact that skews the "average" wage of 'store associates' --

and refuses to release wage levels for specific job functions. (Five Stones and The Center for Community and Corporate Ethics, 2005)

The union's obvious claim as illustrated by the statement above is that Wal-Mart does not pay their employees well enough, but the bigger issue is that the company strategically distorts their statistics by including managers' salaries in their calculations. The chain is mainly accused of paying their managers and higher management ridiculous salaries while paying the employees on the front lines hardly enough to eat. Activist groups demand that Wal-Mart pay all their employees a living wage and accuse the chain of greed by not doing so. The groups say that Wal-Mart bases its success on "low wages [and] poor benefits" (Rowell, 2003, p. 14). "Uni-Commerce, the global trade union for commercial workers, stated, 'Worldwide, Wal-Mart is the most serious threat to employment, wages, and working conditions in commerce'" (Rowell, 2003, p. 14).

Surprisingly, some current employees have sided with the unions and are speaking out against their current employer. Charmaine Givens, a Wal-Mart associate from Chicago, IL, Ramiro Gonzales, a Wal-Mart associate from El Paso, TX, and Cynthia Murray, a Wal-Mart associate from Hyattsville, MD are three excellent examples of employees who are not happy with Wal-Mart. These three associates went "on the record" to speak against their employer in anti-Wal-Mart commercials aired on www.wakeupwalmart.com. They claim that Wal-Mart treats its employees negatively with salary caps, wages at poverty levels, breaking the law by locking employees in the stores, unaffordable health care, and punishments for taking care of families (United Food and Commercial Workers International Union, 2005).

Another argument from Wal-Mart's enemies is that the company repeatedly breaks labor laws by not allowing workers to take breaks, by forcing their people to work "off the clock" and discriminating against women. Wal-Mart is currently involved in numerous legal battles. According to their 2006 Annual Report, many of these cases include current and former employees claiming that they were forced to work "off the clock." Wal-Mart also stated "The Company cannot estimate the possible loss or range of loss which may arise from these lawsuits" (Wal-Mart, 2006, p. 43). The company spends millions of dollars as a consequence of their actions in legal fees.

Wal-Mart is starting to get the "cold shoulder" when attempting to build stores in several metropolises. For instance, when Wal-Mart discussed building a store in Boston, Mayor Thomas Menino said, "They do not pay wages that are sufficient. Their benefit structure is poor. I do not need employers like that in our city" (p. 1). Miami also prevented Wal-Mart from building in its city recently (Hudson and McWilliams, 2006).

Anti-Wal-Mart Activists' Stance on Benefits

The second argument from watchdog groups is that Wal-Mart does not provide sufficient health coverage and benefits to its front-line employees. Groups accuse the chain of providing horrible health packages that most employees cannot afford. The health benefits that Wal-Mart does offer supposedly have extremely high deductibles. The main concern in this area from attackers is that Wal-Mart costs their communities tax dollars by forcing their employees to be on public health assistance. Watchdog groups claim that a large corporation with over ten billion in profits should

not rely on the government to provide health coverage for its workers (wakeupwalmart.com, 2005).

Several government leaders have already joined the fight against Wal-Mart. 2008 Presidential candidate, Senator Barack Obama of Illinois said, "All workers in America, no matter who they work for, deserve to be paid a living wage and have access to comprehensive healthcare their families can afford" (Birchall, 2006, p.1). Obama has publicly criticized Wal-Mart saying that if they followed the example of other big-box retailers like Costco, other businesses would follow. "This is a much broader issue than Wal-Mart, but I think the battle to engage Wal-Mart and force them to examine their own corporate values and what their policies and approaches are to their workers and how they are going to be good corporate citizens, I think, is absolutely vital," Obama said.

Anti-Wal-Mart Activists' Stance on Diversity

The third argument from Anti-Wal-Mart protesters is that Wal-Mart discriminates against several groups. They claim that the chain deliberately pays women less than men. In fact, Wal-Mart faces the largest class-action lawsuit in history involving approximately 1.6 million female employees. Groups say that Wal-Mart discriminates against women by "systematically denying them promotions." (Wakeupwalmart.com, gender discrimination page). Activists claim that Wal-Mart deserves to lose this legal battle. Statistics found on the anti-Wal-Mart page claim that women earn \$0.37 less than men for the same jobs and hold much less senior positions in management (Drogin, 2003). Groups also fight that the company knew it

was discriminating years earlier, but did nothing about fixing the problem (walmartwatch.com).

The National Association for the Advancement of Colored People (NAACP) gave Wal-Mart a C+ in 2007 for their business practices associated with African Americans. The company has also been fined on many occasions for discrimination against people with disabilities (walmartwatch.com).

Anti-Wal-Mart's Stance on Environmental Impact

The fourth argument about Wal-Mart is that the chain does not care about the environment and has damaged the environment on many occasions. In fact, they claim that the chain has been fined many times over the past several years for environmental mistakes. "In 2004, Wal-Mart faced fines for violations of environmental laws in nine states: California, Colorado, Delaware, Michigan, New Jersey, South Dakota, Tennessee, Texas and Utah" (Five Stones and The Center for Community and Corporate Ethics, 2005, Issues Environment)

The unions do not believe that Wal-Mart is truly concerned about the environment. While Wal-Mart claims to be changing their fleet of semi trucks to sustain the environment, critics say that the only reason the company cares about that is to lesson overhead and maximize profits. "While we are glad Wal-Mart is talking about environmental sustainability, Wal-Mart's long record of inaction and empty rhetoric leaves us deeply skeptical about Wal-Mart's true intentions" (WakeupWalmart.com).

"Wal-Mart has been guilty of air pollution, storm water violations, and improper storage of hazardous materials;" (walmartwatch.com, 2005) and although

the company seems to have taken steps forward in this area, critics do not forgive Wal-Mart for the damage it cost in the past.

Anti-Wal-Mart Activists' Stance on Community Impact

The fifth argument against Wal-Mart is that the chain is ruthless to the communities it enters and drives them out of business. Activists groups claim that mom and pop stores in communities are forced to close when Wal-Mart comes to town. Protesters also accuse the retailer of increasing crime, traffic, and lowering wages in the community. Although every company is not put out of business by the retailer, studies have indicated that businesses do lose sales up to 20% when Wal-Mart comes to town (wakeupwalmart.com). Wal-Mart's competitors also disagree with the chain receiving unnecessary subsidies to enter into communities, and argue that Wal-Mart should be adding tax revenue, not using it. Activists argue similar to the health care issue, that a company with billions of dollars in profits should not be subsidized by the government in any way.

Anti-Wal-Mart Activists' Stance on International Relations

The last argument against Wal-Mart is that the company is "un-American," utilizing Chinese factories to produce 80% of its products. This practice supports communism and disrespects American-made goods. The "employment standards overseas are severely lacking" (Walmartwatch.com, 2005).

Wal-Mart's brilliant, obsessive focus on a single core value--delivering low prices--created what became the largest and most powerful company in history. And yet the drive for low prices is also the cause of troubling elements of the Wal-Mart effect: low wages, unrelenting pressure on

suppliers, products cheap in quality as well as price, and off-shoring jobs.

(Fishman, 2006, p. 7)

Critics say that by using China and other overseas countries to provide goods, the chain allows inhumane factory conditions to take place. Workers earn pennies per hour which protestors say is ethically wrong worldwide.

My thesis will now review the literature first by defining *argument* and reviewing argument literature. Next, I will review the literature on organizational crisis and organizational argumentation to clearly illustrate that Wal-Mart fits in the crisis category. Upon the conclusion of the literature review, I will discuss the method of analysis and will continue with the argument analysis and discussion areas. I will conclude with limitations and suggestions for future research.

Chapter 3

Literature Review

Since the arguments in this thesis focus on organization crisis situations, this review of literature will first analyze research that discusses the definitions and history of “good” argument, second review applied studies about argument, and finally discuss organizational arguments and crises.

An “argument” can have multiple definitions, and it is important to examine various definitions because “an argument” can have vague meaning to different audiences. Sometimes it is described as a fight, a dispute, a quarrel, a bicker, a disagreement, a squabble...etc. Argumentation scholars do not agree on a simple definition of argument. This is understandable because argumentation is not “simple.” This thesis examines arguments that are extremely complex with a plethora of underlying concepts. Brockriede (1975) argues that in order for an argument to take place, a topic must be problematic. Without this concept, an argument becomes a conversation. An argumentation topic must lie between two extremes. On one side, topics are freakishly outrageous and not worth discussing. On the other side, topics are so simple that they are accepted immediately, again not worth discussing. The best arguments are those that the instigators try to sway the audience to accept their positions. Values and beliefs are present in most arguments, and Brockriede also believes arguments reflect the values and beliefs of the party arguing. Many different types of arguments are studied. Benoit says:

We have had a strong impulse to address the practicalities of arguing in everyday life. We argue with friends about where to have lunch, with family

about who should babysit, with coworkers about who should make the coffee. More formal everyday arguments occur in small groups within corporations, in parliamentary assemblies, in classrooms. Arguing is a fundamental human activity and appears wherever there is social life. (Benoit, Hample, Benoit, 1992, p 13)

Arguments can change lives and organizations. An argument at home with a spouse can result in separation. An argument at work with a boss can result in employment termination. Obviously arguments can build or dissolve relationships in interpersonal life and professional life, and in an organization, a lost argument could result in its downfall. Because arguments can cause detrimental effects, at times they can be the most important bit of communication to analyze.

Although the Wal-Mart argument is especially contentious, in general most arguments are controversial, unhappy occasions. An argument is more than just a marital quarrel, a difference in opinion, or a friendly debate. Aristotle suggests that the only topics that we argue about are areas that need to be argued about and that are not certainties (as cited in Benoit, 1992). Additionally, Steven Toulmin (1958) wrote, “One can distinguish the main phases marking the progress of the argument from the initial statement of an unsettled problem to the final presentation of a conclusion” (p. 87). Although most scholars believe there is a problem that begins the argument, there are many definitions for argument in academia.

Early scholars studied argument mostly in public speeches and debate teams. Brockreide (1975) opened the study area to include interpersonal communication. O’Keefe (1977) pioneered two important breakthroughs of argumentation in the field.

He said that 1-Argument is something that someone *makes*. For example, when argument takes place, this notion discusses speeches in public areas such as when political leaders make their state of union addresses. They are *making* their argument to the public. 2-Argument is something that people *have*. For example, when two children quarrel about who gets to ride the rocking horse first, the argument is internal and a “joint-production.” The argument about Wal-Mart as discussed in this thesis is definitely “made” by both sides. Each side presents their claims and data to “make” their argument.

Hample (1988) introduced a third area in which argument exists. He reports that not only is argument something that someone makes, and something that people have, it also exists privately in peoples’ minds. After the work of Brockriede, O’Keefe and Hample, argument was viewed in more areas than just the public speech genre. The three scholars assisted in the conclusion “that argument is personal, interpersonal, and psychological” (Benoit, Hample, & Benoit, 1992, p. 71).

Alder (2006) claims that argument is “the practice for producing and challenging reasons for conclusions” (p. 226). Toulmin (1958) relates an argument to an “organism” that “has both a gross, anatomical structure and a finer, as-it-were physiological one” (p. 87). As Toulmin explained, arguments are complex structures. Wenzel (date) agreed calling argument our “most complex” human behavior explaining also that an argument is a process, a procedure, and a product.

For the purpose of this paper, “argument” will be defined as a controversial claim that is justified with evidence, data, and “truth.” When I say “truth” in this case,

I do not mean that every claim is factually true, but each side of the Wal-Mart argument attempts to prove their arguments with evidence that they believe to be true.

Most scholars believe that proof and logic are essential in argumentation. And although there have been disagreements about the meaning and concepts of logic, “argumentation is nevertheless concerned with proving and logic with the study of what constitutes proof or warranted assertions” (Whately, Cohen, and Nagel as cited in Broadrick, 1950).

Now that I have discussed the definition of argument, what makes an argument effective or “good?” Goldman (1994) states that in order for an argument to be “good” it must have a conclusion that “follows deductively from the premises or receives strong evidential support from them,” and “it has only true premises” (p. 27). He also says that “a good argument is a sound argument.” The best arguments tend to tempt you change your position at times; meaning that each side is so compelling that you can not decide which side to support. You might see similar controversial arguments about deep political issues where political leaders might change their minds about an issue.

Scholars have argued about the definition of argument for years, but the history of argumentation is also important to examine. I will now discuss the history of argument and will then continue by discussing examples of applied studies in organizational arguments.

History of Argument

Philosophers have also attempted to explain the properties of an argument, and the history of an argument can be traced back to ancient times. The Sophists

taught dialectic arguments by guiding their students to learn both sides of an argument. They would give them a subject to study and then they would have to challenge the subject with another student. This allowed the students to become stronger in their arguments and develop a greater knowledge of the subject overall (Sophists, n.d).

Aristotle taught that arguments could be dissected and analyzed into three main components: the minor premise, the major premise, and the conclusion. These three elements make a “syllogism” which was one of Aristotle’s most famous discoveries. A syllogism explains the minor premise, the major premise, and the conclusion as the basic model of argumentation. The major premise discusses the evidence in the argument. The minor premise is the assumption made in the argument, and the conclusion is the result of the argument (Aristotle’s Prior Analytics as cited by Smith, 2004). For example,

Major Premise: Rich people drive BMWs.

Minor Premise: Joey drives a BMW.

Conclusion: Joey is rich.

In the example above, Joey is rich is the conclusion of the argument and because he drives a BMW, the conclusion is that only rich people drive BMWs so he must be rich. Others would strictly disagree as discussed below.

Along with a syllogism, Aristotle introduced the enthymeme. An enthymeme is a syllogism, but without either the major or minor premise (Mudd, 1959). Aristotle called the enthymeme the rhetorical syllogism and also explained that the enthymeme is the most effective mode of persuasion (Aristotle’s Prior Analytics as cited in

Benoit, 1992). “The enthymeme is sometimes defined as a ‘truncated syllogism’ since either the major or minor premise found in that more formal method of reasoning is left implied. The enthymeme typically occurs as a conclusion coupled with a reason” (Silva Rhetoricae, 2003, enthymeme page). In arguments, certain elements can be implied, or unsaid. Not only can premises be implied, but conclusions can also be implied in arguments.

Although some scholars believe that the enthymeme is only a short version of a syllogism with a premise missing, others believe that the actual difference between a syllogism and an enthymeme is that a syllogism is based on “material” truth, and the enthymeme is built on “probable” truth (Mudd, 1959). Silva Rhetoricae (2003) illustrates an enthymeme with an excellent example below:

We cannot trust this man, for he has perjured himself in the past.

In this enthymeme, the major premise of the complete syllogism is missing:

- Those who perjure themselves cannot be trusted. (Major premise -omitted)
- This man has perjured himself in the past. (Minor premise - stated)
- This man is not to be trusted. (Conclusion - stated).

Although syllogisms and enthymemes are “classical” explanations of argument, modern scholars disagree that all arguments can be classified by these aforementioned elements (Toulmin, 1958, Mudd, 1959, Parsons, 1996, Trent 1968, Vassiliev, 2003). “Although modern writers and teachers discuss the syllogism...they appear to handle them with some uncertainty and brevity” (Broadrick, 1950, p.476).

Toulmin (1958) argues that traditional syllogisms are too simple to explain arguments in certain situations. He claims that all conclusions that can result from the

sylllogism are not correct. For example, in the above example of a syllogism, He would argue that Joey is not necessarily rich and that in order to come to the conclusion that Joey is rich; we would need several more validating steps in the argument. Toulmin is concerned that a syllogism is not right every time. Although a syllogism can be valid structurally, as illustrated above, the conclusion can be invalid factually. Others argue that arguments are not as simple as only a minor, major premise and conclusion. Terence Parsons (1996) agrees that an argument does not “consist just of premises and conclusion; it has additional structure” (p. 164). For example, Parsons (1996) explains that philosopher’s arguments resemble a derivation which is a “series of statements with intermediate steps” (pg. 164). He argues that arguments and derivations differ significantly. In philosophical arguments, oftentimes the conclusion precedes the evidence that confirms and strengthens the conclusion. This indicates that an argument can be validated by steps happening after the initial claim. In contrast, “in typical derivations, steps are validated by only previous steps” (pg. 164). So he argues that arguments can take place both ways, with the evidence preceding the conclusion, and the evidence following the conclusion.

Toulmin’s argumentative model also involves several more “steps” than premises and conclusion. His steps are claim, data, warrant, qualifier, rebuttal, and backing. The claim is what the argument is trying to prove. The data is the evidence that supports your claim. The warrant is the logic behind your argument. A qualifier is a statement that describes the strength of a claim, and a rebuttal is the exception to your claim (Toulmin, 1958). Because the Toulmin model is the system of analysis, this structure will be discussed in detail in the method section. Now that I have

reviewed literature on argument, I will now review examples of studies in organizational arguments.

Examples of Applied Studies in Organizational Arguments

Many scholars analyze arguments, and numerous different approaches can be used to analyze arguments. In fact, “‘Argumentation theory’ is the name of a set of approaches to the analysis of arguments that has, over recent decades, found significant favour amongst lawyers, psychologists, communication theorists, linguists, debaters, and others” (Ladikas & Schroeder, 2005). The ways groups or individuals present their arguments can show a great deal about the logic, weaknesses, and strengths of the debate and in argument analyses oftentimes these flaws or advantages are discovered. Both quantitative and qualitative argument analyses are discussed below. Since mediated arguments are what the thesis examines, I will first discuss this topic.

Especially with the convenience of the Internet at our fingertips, arguments are frequent and accessible. Arguments are found in chat rooms (Weger Jr. & Aakhus, 2003), in online articles, websites...etc. Many arguments are now readily available to the public through the Internet. Having arguments easily obtainable has made research much easier to scholars.

In fact, Weger and Aakhus (2003) studied argument in AOL chat rooms via the Internet. The researchers used the pragma-dialectical approach for their criticism tool. The analysis discovered several “‘problematic’” characteristics of arguments in chat rooms: 1-lack of conversational coherence, 2-under-developed arguments, and 3-flaming.

Because participants can “chat” without revealing their identity, people seemed to speak freely about whatever topic they desired, which proved problematic, because one participant who is asking a question about a certain topic, may never be answered by any other participant. The dialogue continues to “scroll” along even if an argument has not been addressed. An additional aspect of speaking without identification allowed people to “mud-sling.” A fascinating point that the authors made is that participants in chat rooms are limited to 85 characters a turn, so they were unable to effectively back up their argument due to this limitation. Their conclusion in the study was that it appeared “that chat rooms facilitate having arguments more so than making arguments” (O’Keefe as cited in Weger and Aakhus, 2003, p. 34). Weger and Aakhus (2003) also explained that “In chat room argumentation it appears that chaos reigns, lines of argument are hard to follow, arguers trade insults instead of arguments, and when arguments are made they tend to be underdeveloped and/or are un-responsive to the argument raised by other participants” (p. 37). Although this thesis examines arguments found online, I believe it is important to review additional argument analyses that involve organizations from many different industries. This will illustrate the usefulness of analyzing arguments for organizations.

In a ground-breaking study, Ortiz and Ford (2007) analyzed arguments between the teamster’s union and “Sunwest” airlines. The actual airline name was not identified. They used an adapted Toulmin model to dissect internal anti-union documents and were granted internal access to the company’s anti-union campaign. The researchers decided to include three classical rhetorical appeals: ethos, pathos,

and logos. Including these three appeals, allowed researchers to analyze the persuasive effectiveness on their audience.

The airline found itself in a unionization battle with its employees and the teamster's union. The company had already defeated the unionization years earlier, and they had confidence that they would be able to convince their employees to vote "no" against unionization this time also. The leaders of the company wrote a series of letters to their employees attempting to persuade them to vote to abolish the unionization efforts. The study dissected those documents and analyzed the arguments.

Similar to the Wal-Mart argument, Sunwest created a full-blown campaign to defeat the unions. Researchers found that the documents formulated to motivate their employees to vote against the union were well formulated and "highly audience-and purpose-driven" (Ortiz & Ford, 2007, p. 242). The campaign failed, and the company's employees voted to unionize unbeknownst to their efforts. The researchers seemed surprised that the documents failed to be successful in combating the union. They said, "After all the arguments presented in each campaign document were structurally sound and carefully directed toward a specific audience" (p 243). But the researchers found that effective communication can still fall short and that outside communication can impact the campaign detrimentally. They also call the area of unions' impact on organizations "ripe for future research" and even suggest analyzing other documents including websites.

To illustrate the usefulness of analyzing arguments in organizations of another type, the next study examines claims about genetically modified (GM) foods. I think

it is useful to review this study because it demonstrates the usefulness of argument analysis for organizations. The study revealed that arguments were weak and suggested how the organization can reformulate them to add strength. The topic was a hot argument in Europe in the late 1990s. People were afraid of the health risks and environmentalists were in an uproar about the whole process. Others believed that GM foods “will help produce healthier foods more efficiently and in a more environmentally friendly way” (p.217). By studying various claims about the controversy in 2005, Ladikas and Schroeder identified ten main arguments. Researchers concluded that all ten were “well formulated and well supported of evidence” (p. 223). Each case stemmed from one of three groups: industrialists, environmentalists, and scientists. By looking deeper into each argument using a Toulminian analysis of the ten arguments, researchers revealed that several of the industrialist’s arguments, although well-formulated, had flaws. Some arguments had weak warrants supporting their claims in the debate. By identifying the weaknesses in the industrialist’s claims, the study exposed that environmentalists were easily counter-arguing several of the industrialist’s allegations because of this limitation. The analysis could assist industrialists by allowing them to re-formulate their warrants to make their argument stronger.

As you can see by the aforementioned argument analyses, arguments are extremely widespread, and most of the time, arguments are about change. Usually, one group is asking for change and the other is opposing change.

Power’s (1999) argument analysis of women’s rights in the workplace regarding wage is a great example of an argument that eventually caused change in

society. The analysis discussed gender-based inequalities of wage in the early 20th century. Women's activists fought for a set minimum wage for women, but employers resisted the regulation. Discriminating employers argued that women mostly did not sustain the family and that a wage large enough to support families were not necessary. But, contrarily each state resisted employers' bullying and decided that women's wages should be based on independent living wage and women's needs were important. In fact between 1912 and 1922, 18 states passed laws regarding minimum wage for women.

As illustrated above, argument analyses in organizations are influential for instigating change. So, studying Wal-Mart seems to be the natural next step since Wal-Mart is the largest organization in the corporate world. I will now review studies on Wal-Mart.

Studies on Wal-Mart

First of all, studies on Wal-Mart in the communication arena are rare. Only a few have studied the chain, and to my knowledge, no one has attempted to study the large communication picture of Wal-Mart arguments. Several have studied the advertising and marketing strategies of the chain, but those studies are not necessary to review for this thesis. Even though rhetorical studies in our field are few, discourse is numerous. Communication is everywhere about Wal-Mart. Whether people sit around their kitchen table and discuss the prices, or someone personally attacks the chain in an on-line blog, the subject is quite popular. In a groundbreaking account, Craig (2007) studied a blog created by a couple named Jim and Laura. The pair traveled the nation in an RV and stayed in the Wal-Mart parking lots for free. The

blog boasted how wonderful Wal-Mart employees were, how they all loved their jobs...etc. The study scrutinized the blog and investigated its true purpose. The blog single handedly illustrated public relations gone array. The site was actually set up by a public relations firm to intentionally boost the company's image. Jim and Laura were given financial payments and were provided with the RV. The public relations firm has been scrutinized, for obvious reasons.

Benoit and Dorries (1996) studied the persuasive attack from NBC's Dateline. This study examined NBC's attack on the chain, but unfortunately this media-based attack is not rare. Wal-Mart is habitually attacked in the media, and its image is suffering because of it (Benoit & Dorries, 1996).

In the Benoit and Dorries (1996) article, the researchers looked at attacks made by NBC's Dateline against Wal-Mart. The findings were interesting because the attacks were legitimate since Wal-Mart was allegedly placing goods under the "Made in the USA" sign that were not made in the USA. The article also explained that a factory in Bangladesh was filmed showing children working in ravish conditions. The company's CEO David Glass was interviewed about the issue and made the comment, "You and I might perhaps define children differently." The study also discussed using foreign suppliers, which in some cases puts American companies out of business. The last issue discussed in this article was the allegation that Wal-Mart violated import quotas.

Benoit and Dorries (1996) concluded that three of the four accusations were damaging to Wal-Mart. The persuasive attack used by Dateline showed "rack after rack" of clothing being deceitfully displayed under "Made in the USA" signs. The

exploitation of children by showing a Bangladesh factory probably damaged the company's reputation immensely. Dateline also showed an American sweater company as it went out of business because of Wal-Mart's choices to buy goods overseas. The researchers concluded that David Glass "represents Wal-Mart poorly" (p. 473). The fourth accusation of importing smuggled goods was a little far fetched to believe, plus people are not aware of import quotas, so the persuasion was not as compelling in this attack.

In another study Buttny and Cohen (2007) examined two public hearings where the construction of building a Super Wal-Mart was proposed. The hearings proposed to change the zoning in favor of the chain and allow Wal-Mart to be built on the city's aquifer in up-state New York. Members of the town strongly disagreed on the zoning change because by building the Wal-Mart over the aquifer, the town's drinking water source could be contaminated. The participants that were examined spoke up in the hearings and used rhetorical strategies to make their points stronger. The study concerned public speaking instances where the speaker used quotes to strengthen their speech. The topic was hot in the community and many speakers used quotes to help them make their points against the chain heading to town. Although the study involved Wal-Mart, it was actually concerning public speaking and not the chain itself.

Although numerous studies show the chain in negative light, others praise the chain for its disaster relief in the Hurricane Katrina disaster. The organization beat government systems by getting in massive amounts of supplies to those in need (Levick & Smith, 2005).

Other research shows that media reports are oftentimes negative about the retailing mammoth. “Is Wal-Mart doing lasting damage to its low-budget franchise by trying to compete with much hipper, nimbler rivals for the middle-income dollar” (Bianco, 2007). The author continues to say, “It appears that America's largest corporation has steered itself into a slow-growth cul de sac from which there is no escape. ‘There are a lot of issues here, but what they add up to is the end of the age of Wal-Mart,’ contends Richard Hastings, a senior analyst for the retail rating agency Bernard Sands. “The glory days are over.” These negative cover stories have prompted the chain to hire hundreds of public relations professionals at its company headquarters in Bentonville, AR. These newly-added staff members are to assist in digging the chain out of their reputation crisis (Bianco, 2007).

Wal-Mart is well aware of the negative media reports. They track them on a monthly basis (Shinkle, 1994). Wal-Mart seems to have gotten that part right. They attempt to stay current on what the media is saying about them. Although in a recent interview, Wal-Mart’s CEO Lee Scott said, “I’m not particularly concerned about headlines.” Contrastingly, the CEO went on to say, “I’m concerned about what the customers think of us” (Frontline, 2004). This statement from CEO Lee Scott illustrates that the chain does “care” about what customers think and when numerous attacks attempt to change the minds of their customers in a full blown attack against them, Wal-Mart finds itself scrambling to repair its beaten reputation. I will now discuss organizational crisis below.

Wal-Mart in a Crisis

Fink (1986) defines an organizational *crisis* as an event that spirals out of control and accelerates investigation from the watchful eyes of the media or government, slowing business productivity and operations, damaging the a positive public image, and destroying a company's bottom line. Wal-Mart clearly falls under this definition.

This area is ripe for future research. A detrimental downfall is that Wal-Mart does not like to communicate to anyone researching its company. I will discuss this later in the limitations area. So unfortunately communications can rarely be studied first hand in this case. On the flip side, the corporation pays close attention to the communication outside their company. In an explanation of public relations measurement, Shinkle (1994), vice president of corporate affairs of Wal-Mart Stores Inc., explained how the company's measurement systems track the communication printed about the chain. So, the company cannot claim that they did not know about the smoldering disaster.

In a crisis communication model designed by Gonzalez-Herrero and Pratt (1996), the authors suggest that the person in charge of crisis in the company, the public relations department manager or whoever, should be “au courant” about anything in the organization's “environment” (p. 85). Staying on top of attitudes of their publics, the media coverage, legal battles, and the circumstances of the entire scope should help foresee possible crisis situations and possibly prevent one from taking place. As noted earlier, Wal-Mart claims to be monitoring what is said about them in the media, but it has gotten out of control. Wal-Mart is attacked in the media

and Wal-Mart is attempting to explain their “facts” as they call them to counter those attacks (Walmartfacts.com, n.d.).

Wal-Mart may or may not believe they are in a “crisis,” but in a recent article in *Business Week*, Julie Roehm, a previous Wal-Mart executive who is suing the corporation, slams the company by saying, “[Wal-Mart] would rather have had a painkiller [than] taken a vitamin of change” (p. 72). Roehm was hired in September 2005 to assist with renovating the company’s ill image. Roehm was fired ten months later (Berner, 2007). When past employees start suing the company, crisis is apparent. Unfortunately lawsuits from employees are numerous, but the attacks on the core of the company’s policies, wages, and main business practices are much more damaging than the lawsuits. This portion of the literature review will define crisis, review past crises, and discuss crisis management literature.

Crisis is defined earlier, but other scholars have also defined crisis similarly. Millar and Heath (2004) define a crisis as, “an untimely, but predictable event that has actual or potential consequences for stakeholders’ interests as well as the reputation of the organization suffering the crisis” (p. 2). Crisis situations can result in “death of an organization’s reputation and perhaps itself” (p. 2). A crisis can oftentimes allow the public to “scrutinize” the company involved (Millar, 2004). In the Wal-Mart case, the argument is the crisis. When an organization such as Wal-Mart makes mistakes and is publicly attacked, their reputation is on the line. Anti-Wal-Mart websites were set up to battle the chain, provide information to the public and to convince them not to shop there. *Crisis* should be blinking in big, red lights in their public relations department.

A classical example of crisis was the Tylenol cyanide case where a lunatic knowingly contaminated tablets (Hearit, 2006). Johnson & Johnson's man in charge, Jim Burke, was praised for acting quickly and communicating the company's care for consumer protection (Holder, 2004). Tylenol has rebounded from the crisis, and others have shared similar panic-stricken times:

Businesses, particularly those in industrialized countries, abound with crises. In the United States, the Intel Pentium snafu, the McDonald's hot coffee spill, the Pepsi-Cola syringe hoax, the Jack-In-The-Box contaminated beef, the General Motors side-impact truck issue, and the USAir crashes are constant reminders of organizational vulnerability to crises. (Gonzalez-Herrero & Pratt, 1996 p.81)

Preventable crisis situations are documented to allow others to learn from previous-made mistakes. In 1992, an 81 year-old-woman was severely burned with a cup of McDonald's coffee, and in 1994 courts awarded her \$2.9 million as a result of the episode. Unfortunately, McDonalds had received over 700 complaints about the temperature of their coffee prior to the ruling but did nothing to prevent the crisis, and as a result they paid almost \$3 million to Stella Leibeck for the incident. "Conditions leading to a crisis linger, smolder for a time, until something causes them to flare. Then, what may have been a controllable business problem, becomes an uncontrolled business crisis" (Millar, 2004, p. 27). McDonalds is not alone. In fact,

A classic example of crisis damage occurred in 2000 when the actuality and potentiality of death and bodily harm drove Bridgestone/Firestone stock share value to less than half of what it had been before the crisis. That crisis cost the

company lost money and a ton of consumer good will. (Millar & Heath, 2004, p.1)

Although some crisis situations are preventable, sometimes, a crisis is not an organization's fault. For example, in 2003, Chi-Chi's restaurant unknowingly served Hepatitis A infected green onions to its customers. "Over the course of several months, more than 660 people became ill and 3 died" (Fuoco as cited in Veil, Liu, Erickson, & Sellnow, 2005). As discussed above, a crisis can cause an organization to fail, and in this case, "the financial impact of the Hepatitis A outbreak along with the pre-existing financial constraints lead to the demise of the chain (Veil et al. 2005, p. 22).

Hearit (2006) explained another important part of crisis management. He said corporations should constantly be aware of "triggering events" that could cause crisis situations (p. 1), which may have helped in a new crisis this week where JetBlue airlines cancelled hundreds of flights and caused enormous delays across the U.S. "JetBlue the cheeky, low-cost airline, is in the worst crisis of its seven-year history" (Weiss, 2007, p.1). JetBlue CEO David Neeleman said, "It's been a somber week for us, a week of hard-learned lessons. We made a mistake. We should have had contingency plans" (p. 1). It is easy to look back on a crisis and say "we should have" but it would be ideal for companies to strategically plan for crisis situations beforehand.

John G. Clemons, Vice President of Communications for Raytheon Technical Services, Co. said, Crisis communication planning and the ability to lead come hell or high water may become a required skill set for professional

communicators...While we can never be fully prepared for the twists and turns of a crisis, communicators who have the skill to develop and implement a plan and stay cool under fire will be in demand. (SCM editorial board, Dec. 2005/Jan. 2006)

I have reviewed the history of argument because I think it is important to discuss the classical elements of an argument due to the nature of this analysis. Since I have used Toulmin's procedures, I have essentially discussed Toulmin and his reasoning behind his layout of arguments. I also reviewed applicable studies of organizational arguments, and concluded with studies on Wal-Mart and crisis.

Now that I have reviewed the applicable literature on argument, existing Wal-Mart studies, established Wal-Mart in a crisis and discussed crisis management literature, I will now outline my research questions.

RQ1: First, do Wal-Mart and its competitors establish a clear argument about the six topics explained in the proposal?

RQ2: Second, are the arguments strong or do they lack certain argumentative elements from Toulmin's model?

RQ3: Third, which one is stronger?

Chapter 4

Method

Now that I have reviewed the applicable literature and discussed research questions, I will now discuss the method of analysis. I will first discuss Toulminian analysis procedures and will second discuss data collection.

Toulminian Analysis Procedures

After data was gathered, a Toulminian analysis was used to dissect and analyze the data. I will describe Steven Toulmin's model of analysis and will give examples of each "step" in the model.

Steven Toulmin attacked logic and argued that logic cannot be applied to all argumentation. Benoit, Hample, and Benoit (1992) explain that Toulmin's *The Uses of Argument* is one of the two "most important books on argumentation in recent decades," and many scholars have adopted his argument model (p. 7). Toulmin was concerned more about applied argumentation in real world scenarios. He developed a model of argumentation that is used to develop and analyze arguments that people see on a regular basis. His argumentation model can be used to critically evaluate many different types of arguments with some variation. Toulmin calls this "field-dependent" (Toulmin, 1958, p. 15). Field dependent argument is the simple, yet monumental, idea that arguments cannot be the same for every subject. He said, "the arguments which we put forward, and the steps which occur in them, will be correspondingly various" (p. 13). His model is extremely useful because his theory is not concerned about "how everyone argues, but rather...how a particular group of individuals argue" (Soukup & Titsworth, 1998). This means that whichever field the

arguments take place or who the audience is, the argument can differ. For example, an argument between two NFL football players will differ in structure when compared to an argument between political enemies. Although parts of the argument will be similar, Toulmin claimed that each argument will take various steps depending on the extraneous factors surrounding the argument such as who is arguing, why they are arguing, what they are trying to prove, and so forth. When the disagreement is unique, it will contain unique elements, and the evidence will be relevant to the specific argument (Toulmin, 1958).

Toulmin's argument model involves six main phases or steps: claim, data, warrant, backing, qualifier, and rebuttal (see Figure 2). The basic triad is the claim, data, and warrant. The second triad is the backing, qualifier, and rebuttal. I will now discuss each element in detail. To illustrate these elements, I will discuss a simple argument.

In order for a *claim* to be "good" Toulmin (1958) argued that it must be "justifiable." A claim is simply the conclusion that is sought from the argument. The claim is what the arguer is trying to get the audience to accept. The claim might answer the question, "What is the point of this argument?" or "What is the argument trying to prove?"

Claim: Gas prices will most likely continue to increase.

The second element is the *data* or also called ground. The data is the evidence to support or "justify" the claim. Toulmin(1958) calls this "the facts we appeal to as a foundation for the claim" (p. 90). The data is how we make our claim "justifiable" as discussed above. Data can be in the form of authority credibility, someone endorsing

the argument, using quotes, statistics, and reports. Data can also be something informal such as a friend's opinion when the argument is in such context. It can also be personal opinion, but obviously personal opinion would not be the strongest of data in particular arguments. Data can also be testimonials, stories, or case studies. In the gasoline example, the data shown below is strong because Troy Green is a spokesman for AAA the American Automobile Association. Since AAA is a credible organization when dealing with automobiles, the data is strong and supports the claim that gasoline prices will go up. If the quote would have been from an employee of Burger King, the data would not have been as strong, obviously.

Data: "As long as the price of crude oil stays above \$100 a barrel, drivers will be forced to pay more and more at the gas pump," said AAA spokesman Troy Green.

Data is not the only thing that is needed to support claims. *Warrants* are "general, hypothetical statements, which can act as bridges, and authorize the sort of step to which our particular argument commits us" (Toulmin, 1986, p. 91). A warrant is sometimes implicit and is not stated, but the warrant is usually what makes an argument weak or strong. The warrant is the core reason that makes or breaks the argument. A warrant helps make the connection between the claim and the data. So with the gas example, the warrant indicates that the price of crude oil is what is impacting the price of gas. There can be different types of warrants. The three warrant types are authoritative, motivational and substantive warrants (Toulmin, 1958). The authoritative warrant involves information from an authority figure. In the case of an authoritative warrant, backing would be included with a quote from that authority. A motivational warrant relies on the values of the audience to support their claim. This

type of warrant usually works well when the speaker knows his/her audience. The last type of warrant is a substantive warrant. This type of warrant mirrors the traditional argument and might include a causal solution to a problem, a generalization, or another similar case comparison. The type of warrant uses obviously depends of the type of argument being made.

Warrant: When crude oil goes up, so does the price of gas.

Next is the *backing*, which defends the warrant. Sometimes the warrant is not accepted, and in this case the backing would explain the warrant to legitimize it. This element is especially important when the warrant is rejected by the audience. Backing amplifies the warrant by giving it the necessary credibility it needs to help prove the claim. Backing is not needed when warrants are strong enough with out it. In the oil argument, the backing may not be necessary, because the impact of crude oil on gas prices is an extremely strong warrant. Below is an example of a backing in the oil case just to illustrate a possible backing in this case.

Backing: The main reason crude oil prices are going up is because the OPEC oil supply cannot keep up with the demand. The industrialization of the world (especially in China and India) has made oil a necessity in much larger quantities.

A *qualifier* also supports the claim, but its main function is to provide applicable information regarding the specific claim being made. In the oil example, the claim is that the price of gas will “most likely” continue to increase. A qualifier shows how certain the arguer is of their claim.

Qualifier: “most likely”

A *rebuttal* is an explanation of why the claim may not be correct. In specific instances a claim may not be correct, and the rebuttal explains when those instances are. For example, in the oil example, the gas prices could go down if other oil is accessible. The rebuttal allows the arguer to address other points of view. It is important for some arguments to include rebuttals when topics have multiple outcomes.

Rebuttal: If the government will start drilling the oil in Alaska, the price of gas will be impacted and would not increase as a result.

Now that I have outlined Toulmin's argumentation model, I will now discuss the data collection process.

Data Collection

To get a holistic picture of the arguments of both sides, I was careful at selecting the appropriate data. Wal-Mart has many enemies, and many people blog about their hatred toward the chain. I selected the data because of its significance. If I were to include every blog that ever included a difficulty with the chain, it would be never ending. I did, however, choose the main sites that displayed clearly what their problems are with the chain. Data was gathered by two main strategies: 1-examining recent public discourse from websites from watchdog groups and discourse from Wal-Mart. As stated above, I looked at both sides of the argument. On the anti-Wal-Mart side, three main sites were examined- two being extremely large organizations: wakeupwal-mart.com and wal-martwatch.com. I know these two sites are the largest anti sites due to a web analysis taken at www.alexa.com. Alexa compares different websites to show the traffic at each site. Wakeupwalmart.com and walmartwatch.com

had the most traffic by far than any other anti site. I also examined a smaller site called walmartandunions.com. This site although smaller, still had strong and similar arguments about the chain. Next, I also analyzed discourse from walmartfacts.com, a website produced by Wal-Mart to share the “facts” about their company. I know this to be true because a Wal-Mart associate told me so. Customer service counters also have a sign hanging that says, “If you want to know the FACTS about Wal-Mart, ask us.” I asked, and this is the site the associate sent me to. I will now discuss each data collection site to explain its purpose. The corporate office also told me to go to the site when I tried to obtain information through a phone call.

Wakeupwalmart.com is a website produced by the United Food and Commercial Workers International Union. Its purpose is the change Wal-Mart “into a responsible corporation.” This website is complete with a Wal-Mart yellow frowning face logo, organized evidence against the chain, and organized active protesters. The site has 432,798 active supporters. Wakeupwalmart.com seeks action from its site. I will discuss this in greater detail later on.

The second site I analyzed was walmartwatch.com. The site says it “is a campaign working to make Wal-Mart a better employer, neighbor and corporate citizen” (walmartwatch.com, homepage, 2005). The site, similar to wakeupwalmart.com is organized in several different areas to portray evidence against the chain. The site is much more easily navigated than the previous site, and the information is much more in depth. This site has a section devoted to the “lies Wal-Mart tells.” It is absolutely fascinating.

The last site I included on the anti-Wal-Mart side is walmartandunions.com. This site is for information purposes only and was created by Desiree Sanchez, Daniel Scrivner, Roberto Garcia Jr, and Fabian Renteria (2007). This site is excellent in presenting the reasoning behind the battle. The information on this site is a conglomerated array of discourse about the fight against Wal-Mart and its enemies. The site also parallels the information of the first two.

All three websites have very streamlined arguments. They have all separately made arguments about the chain, and most likely unknowingly, created an extremely strong united campaign against the chain. I will discuss these arguments in great detail in the forthcoming analysis and discussion portions.

I gathered information directly from Wal-Mart which has its own website explaining aspects of their corporation, walmartfacts.com. The information used from Wal-Mart was obtained in the same time period explained above. I sought after the six main topics. I will review these six topics below. The data used from Wal-Mart consisted of “fact” sheets, quick facts, archived newspaper articles, and web pages. Wal-Mart’s corporate office assured me that “anything I wanted to know about the company could be found” on walmartstores.com.

As slightly illustrated above, obtaining information from Wal-Mart was tricky. Since they would not speak to me personally, I decided to use statements from top Wal-Mart executives from several documentaries. These documentaries were a great data resource because these four documentaries made it possible to have some oral communication record of Wal-Mart executives’ opinions. The documentaries used were CNBC’s the Age of Wal-Mart, Frontline’s Is Wal-Mart Good for America,

Robert Greenwald's *Wal-Mart: The High Cost for Low Price, and Why Wal-Mart works (and why that makes some people crazy)* (2005). In each documentary, Wal-Mart executives were interviewed, and they addressed key issues of the Wal-Mart controversy. Each executive's comments were transcribed. Although the documentaries included scads of anti-Wal-Mart information, I chose not to include the information in the analysis. I felt like the anti-Wal-Mart information that was already obtained was sufficient to show the arguments against the chain, and because I was limited on the pro-Wal-Mart side, I did not feel it necessary to include more anti-Wal-Mart rhetoric.

I gathered applicable data on the six most controversial argument topics mentioned in chapter one and was gathered between Nov. 2006 and July 2008. Due to the dynamic nature of this argument, I sought after the most up-to-date information possible. This data consisted of web documents, archived newspaper articles, and web pages. For review, these topics are: 1. Wal-Mart wages, 2. Wal-Mart health insurance plans, 3. Diversity at Wal-Mart, 4. Community impact of Wal-Mart, 5. International influence of Wal-Mart, and 6. the Environmental impact of Wal-Mart.

I will now discuss the analysis of the data that was collected.

Chapter 5

Analysis

Parallel to most arguments, both sides of the Wal-Mart argument present their cases “in an attempt” to convince the public of their points of view. The arguments are heated, and as stated in the introduction, both sides believe they are right! These types of arguments are the most fun to discuss and can be the most toxic to an organization’s success. I will analyze each of the topics mentioned and dissect them using Toulmin’s model. I will analyze one side of the argument and will follow with the opposing side. That way, the illustrated differences will be simple to follow.

First of all, I would like to discuss briefly why Wal-Mart is the brunt of these attacks. They are the biggest corporation in the world. They employ two million employees. If the argument helped to change the corporation, others would follow. The possibility to change big box retailers for the better is the motivation. The watchdog groups chose the BIGGEST and the BADDEST to fight. Wal-Mart was the first to use certain business strategies all at once (Garcia, 2007). They control labor costs, use intense logistics systems, and provide the unbeatable price of goods in their stores. The chain is extremely smart in its business practices, but should it have gone this far? The arguments are based on ethics. Is it ethical to receive un-paralleled profits without sharing those profits with employees? That is what the wages argument is all about below.

Anti-Wal-Mart Activists' Stance on Wages

In the argument about wages, watchdog groups use the elements of the Toulmin model to convince the public that Wal-Mart's wages are not high enough. The claim is that Wal-Mart does not pay their workers a "living wage."

The data in the argument is that Wal-Mart's average associate makes approximately \$14,000 per year (Walmartwatch.com, 2005). The groups also attack the statistic that Wal-Mart releases about their wages. They say that the "average full time wage of \$10.83" is completely incorrect because most of the employees that work there are not full time, so the statistic is inflated (Cohn, 2005). Critics also compare them to other retailers to make their point. On average, Wal-Mart associates earn much less than other retailers such as Costco and Neighborhood Markets pay their employees. Costco workers allegedly make 65% more than Wal-Mart workers (Walmartwatch.com, 2005). The other massive concern about the economical consequences of Wal-Mart is that the chain is driving down wages in other stores also. "Wal-Mart drives down wages not just of its own workers, but throughout the retail sector as a whole" (Bernstien & Bivens, 2006).

More data is that Wal-Mart is currently facing more than 80 lawsuits involving wage discrepancies and off the clock work. These lawsuits, which include some class action lawsuits, involve thousands of employees. Unfortunately watchdog groups view this as consequences for continuous ill behavior. "Evidence and testimony littered throughout the cases indicate a 'corporate culture' and systematic approach for cutting labor costs by dictating managers staff below the "preferred" staffing levels and rewarding managers for keeping labor costs down"

(Walmartwatch.com, 2005, Wal-Mart's wage and hour violations page). So their managers are trying to earn bonuses by keep their costs down at each store.

The motivational warrant in this argument is that Wal-Mart has the money to increase the wages, and since it can afford to pay its employees more, and does not, it sends a riveting message: that the chain only cares about itself and its overhead costs. The warrant is motivational because it poses an ethical issue with the responsibility of the corporation. The warrant also includes the victim of the wages. The victims are the workers. Another underlying implicit part of the warrant is that the corporation has record profits, but will not share the wealth with the "poor" workers. If the company would share some of the profits with its employees who need it most, then maybe it could help them afford necessities. If Wal-Mart was truly trying the help all Americans afford necessities (which they do so by providing items for low prices), it would raise its wages so that their employees could afford them. Large ticket items that cannot be found at Wal-Mart, such as transportation, housing, and healthcare are necessities that consumers cannot afford to buy with the wages earned at Wal-Mart (Bernstein, Bivens, & Dube, 2006). Groups also argue that Wal-Mart needs to pay its employees enough to live. Wakeupwalmart.com also argues that the income needed for a family of two to live is well above what the chain pays employees. "The average two-person family (one parent and one child) needed \$27,948 to meet basic needs in 2005, well above what Wal-Mart reports that its average full-time associate earns"(wages and workers' rights page). Now that I have outlined the warrant of the argument on wages, now I'll discuss the backing information.

The backing supports the warrant by explaining that the company's executives make extremely high salaries. Critics report that Wal-Mart CEO makes an insanely large amount per year. According to Greenwald (2005) CEO Lee Scott made \$27,207,799 in 2005. Another backing for this argument is that the company could not only increase wages by using existing profits, but they could increase the price of goods to help with the raises. "Wal-Mart can cover the cost of a dollar an hour wage increase by raising prices a half penny per dollar. For instance, a \$2.00 pair of socks would then cost \$2.01. This minimal increase would annually add up to \$1,800 for each employee" (wakeupwalmart.com, wages fact sheet). "High prices vs. low wages' is a false dichotomy set-up by Wal-Mart's supporters to sound good" (Sanchez, Scrivner, Garcia Jr, & Renteria, 2007). If Wal-Mart would learn from Costco, they could increase wages significantly and along with the raises, they might have better employees while they are at it (Bernstein & Bivens, 2006). The critics are not buying the excuses of low wages.

Now that we've reviewed the argument about wages using Toulmin's model, I will now review the arguments on the opposing side.

Wal-Mart's Argument about Wages

The clash between Wal-Mart and its enemies on this subject is huge. The behemoth chain believes that they provide competitive, good jobs for their 2 million employees. The claim on Wal-Mart's side of the argument is that it provides competitive wages and great job opportunities.

The data about the claim is that Wal-Mart completely disagrees with the allegations of poor wages and the accusation that most employees are not full time. In

fact, company CEO Lee Scott said that “74% of our associates work full-time” (Greenwald, 2005). Wal-Mart reports that their average full-time wage is \$10.83 per hour and that the majority of their employees work full time (34-40 hours per week). They also include more wage information about urban areas that costs are higher in. For example, “the average full-time hourly wage is \$11.62 in Atlanta, \$12.57 in Boston, \$11.52 in Chicago, \$11.26 in Dallas, \$11.49 in San Francisco and \$11.48 in New York City” (Walmartstores.com, n.d., Corporate Facts Sheet). The company believes their wages are competitive and that they are paying employees enough.

The implicit substantive warrant in this argument is that people want to work for Wal-Mart because of what they have to offer. Why would people work at Wal-Mart willingly if they were not satisfied with their pay and benefits? The warrant is substantive because it is a cause/effect type of warrant. If jobs were not good, then people would not apply for them.

The backing for this warrant is that flocks of applications come rushing in for job openings at Wal-Mart openings. In fact, over 25,000 applications were received when Wal-Mart opened a store in the Chicago area. They also explain that their wages are “competitive” and associates will have an opportunity to advance to higher positions. Another backing is that Wal-Mart applicants apply to work for the chain because of the opportunity to move up in the company. CEO Lee Scott said:

“I’m very proud that last year 9,000 of our associates were promoted into management. I’m proud of the fact that you do not have many people from Ivy League schools out here running these operations. What you have are people who started pushing carts at Wal-Mart. (Frontline, 2004)

The opposing arguments on wages are riveting. One side believes that the chain is ripping people off and Wal-Mart announces their jobs as “good” and “competitive.” Now that we’ve discussed wages, let’s move on to health care.

Anti-Wal-Mart Activists’ Stance on Benefits

Health care is an important subject right now in many aspects. Many people can not afford the expensive nature of plans, deductibles, and many are uninsured all together. The arguments on this topic are as conflicting as the previous one.

The claim from watchdog groups about health care is that Wal-Mart’s benefits are not adequate for their employees and numerous employees are not covered at all.

The data for this claim has several points. First, groups attack the coverage that is offered. “The average full-time employee electing for family coverage would have to spend between 22 and 40 percent of his or her income just to cover the premiums and medical deductibles. These costs do not include other health-related expenses such as medical co-pays, prescription coverage, emergency room deductibles, and ambulance deductibles” (wakeupwalmart.com, healthcare page). So even though the company provides health plans, the plans are extremely costly in deductibles. One site explains that the deductible costs could potentially “bankrupt” the worker who had to use it (wakeupwalmart.com, healthcare crisis).

Second, groups argue that coverage does not begin soon enough for workers. The employees also do not qualify for coverage until they have worked for the company for at least six months and sometimes even longer (walmartwatch.com, 2005, healthcare page).

Third, activists compare Wal-Mart to the average corporations in health care coverage, and Wal-Mart also falls below others retailers in its industry. Other large employers have 64% of their employees covered with health insurance (walmartwatch.com, 2005, healthcare page). Only 43% of Wal-Mart's employees are covered with Wal-Mart health coverage leaving 57% of Wal-Mart employees, which equals 775,000 workers and their families without health coverage (Wakeupwalmart.com, Healthcare crisis). Critics are not satisfied with over 700,000 people who are working, but are not enrolled in an affordable plan. The responsibility for insuring those workers would be on the head of the company they work for, not public assistance programs that cost taxpayers money.

Fourth, many Wal-Mart employees rely on government programs such as Medicaid and Medicare to cover their health care needs. Many activists are outraged that an employer would cost taxpayers' money when the corporation is large enough with hefty enough profits to take care of their own employees. Susan Chambers, Wal-Mart Executive Vice President for Benefits, wrote in a memo,

"We also have a significant number of Associates and their children who receive health insurance through public-assistance programs. Five percent of our Associates are on Medicaid compared to an average for national employers of 4 percent. Twenty-seven percent of Associates' children are on such programs, compared to a national average of 22 percent (Exhibit 5). In total, 46 percent of Associates' children are either on Medicaid or are uninsured." Chambers wrote, "Wal-Mart's critics an easily exploit some aspects of our benefits offering to make their case; in other words, our critics

are correct in some of their observations. Specifically, our coverage is expensive for low-income families, and Wal-Mart has a significant percentage of associates and their children on public assistance." (walmartwatch.com, 2005, healthcare page)

If Wal-Mart continues to grow, critics see the number rising in taxpayer's dollars to help those employees. Groups have not only obtained the memo from Susan Chambers (above) but President and CEO Lee Scott said, "In some of our states, the public program may actually be a better value - with relatively high income limits to qualify, and low premiums" (wakeupwalmart.com, healthcare crisis). So the main data on this area is that Wal-Mart knew that their employees were relying on public programs to cover their employees, and they were basically suggesting it.

The warrant is definitely a motivational warrant in this argument against the chain because the values of mankind are questioned. A good employer would provide health care for their employees. Employees should be given sufficient benefits when working for a company such as Wal-Mart. Employees are also a large part of this warrant. Employees should be valued and given good benefits to reward them for working to help the chain be so successful and profitable.

This argument has several backings of the warrant above. Wal-Mart has enough in profits to afford to pay for good benefits. Employees are not making enough in wages, so once again Wal-Mart is not really helping their employees because they are who need the coverage the most, the working "poor". When Wal-Mart increased their advertising budget by an unbelievable \$434 million between 2003 and 2004, and only increased health care by \$100 million, critics were not

impressed. “That means Wal-Mart increased its spending on advertising by 45 percent while only increasing its spending on employee health care by 7 percent” (wakeupwalmart.com, healthcare page).

Another backing is that Wal-Mart does not provide the benefits because of the cost it would assume. The chain is much too worried about its overhead costs instead of its employees and their families (walmartwatch.com, 2005, healthcare page).

Wal-Mart’s Stance on Benefits

Again, on the opposite side, nothing but “peaches and cream” are reported in the health care area from the chain. They claim that they “are committed to providing affordable coverage to our associates and their families” (walmartstores.com, n.d., health care overview 2008 page). They also admit that they are “struggling” with the enormous costs of healthcare, but they also indicate that so is every other company in America (walmartstores.com, n.d.. Good for America’s Communities fact sheet).

The data on this issue is abundant. When asked if he thought he was providing adequate benefits to employees, Lee Scott CEO of Wal-Mart said, “With our profit sharing programs...401k programs, the company discount card. When you combine all the benefits together...yes” (Frontline, 2004). The company also claims to care about their employees’ health and has started a “Health and Wellness” campaign to help educate their employees on how to stay healthy. Health professionals are available to associates throughout the country to provide information about nutrition, fitness, and general health.

The chain has announced extraordinary coverage changes in 2008. They explain that they have been listening to associate’s feedback and want to meet their

requests. The chain is offering 50 customizable ways for associates to choose their coverage. They are also newly offering a deductible credit to help their employees pay for their deductibles. “For associates who enroll in the Value Plan, we are introducing an annual pre-deductible health care credit for each covered family member. Associates will be able to choose a \$100, \$250 or \$500 health care credit. This credit means the plan, not the participant, will pay for the first \$100, \$250 or \$500 of eligible medical expenses before costs are applied to the deductible” (walmartstores.com, n.d., healthcare overview 2008). The company wants to help their employees with the high cost of healthcare.

One of their main data points on this subject is that they help others, not just associates help afford prescriptions. Wal-Mart has recently come out with a new prescription program that allows \$4 pricing for 331 generic prescriptions. Starting this program allows for the public, along with employees, to be able to afford prescription medications (walmartfacts.com, n.d., affordable health care).

They also argue that associates who were previously on Medicaid are changing to their coverage. They announce proudly that 7.8 percent of employees have changed from Medicaid coverage to their health plans (walmartstores.com, n.d. healthcare overview 2008 page). Wal-Mart also admits that the rising cost of health care concerns them. They gladly announce that they cover a large amount of people. They report 636,000 associates (or more than one million people including spouses and other family members) are covered by Wal-Mart health plans. They say that they offer health care programs as low as \$11 per month, but they admit that annual

deductibles must be met before any coverage begins. They report that both part and full-time associates are eligible for the coverage.

The substantive warrant used in this argument is that everyone should be covered with health insurance. The warrant is substantive because it is a cause/effect type of warrant. People should be covered so that when they have a health issue, they will have the means to take care of themselves. This warrant is unsaid but definitely implied. Backing is not needed to support this backing because most people would agree that some sort of health insurance plan is a necessity.

Now that I have covered health care issues from both sides, I will now move on to the diversity argument.

Anti-Wal-Mart Activists' Stance on Diversity

The discrimination argument, like the others already discussed, is extremely controversial. This argument especially attacks the values of the chain. Critics claim that Wal-Mart discriminates against women, minorities, and people with disabilities. Although the claim is extremely strong, the groups do not hesitate to sling accusations at Wal-Mart for discrimination. They provide evidence (data) to support the atrocious accusation.

The data in this argument begins with the largest class action lawsuit in history. Wal-Mart is accused of discrimination by the truckload. In *Dukes V. Wal-Mart* allegedly discriminated against nearly two million current and former female employees. Wal-Mart pays women \$.40 less hourly than they do men for the same jobs. They also allegedly pay men \$5,000 more than women who hold positions in management (Drogin, 2003 as cited at wakeupwalmart.com). In 2001 women held

more than 2/3 of the hourly jobs and only 15% of manager positions are held by women. In 2001 women earned from 5% - 15% less than men in positions in the same job classification (Wakeupwalmart.com, 2005, Wal-Mart and Gender Discrimination).

The NAACP gives annual “report cards” to employees and the organization gave Wal-Mart a C-, which is not a good grade for the chain (Walmartwatch.com, 2005discrimination page). In another data point, Wal-Mart only employs about 2-3% of African American drivers within its truck fleet of more than 7,800 truck drivers. The national average of African American drivers nationwide is 15%. Wal-Mart also faces another class action suit for this discrimination against African Americans. (walmartwatch.com. 2005, Discrimination page).

In 2001, Wal-Mart settled 13 lawsuits and allegedly paid \$6 million for violations against the American’s with Disabilities act. In 2002, Wal-Mart hired Patrick Brady, a man with cerebral palsy to work as an associate in the pharmacy. A few days later, Wal-Mart switched Brady’s duties to work as a cart gatherer and picking up garbage. Brady was awarded \$2.8 million in damages (Walmartwatch.com, 2005, discrimination page)

The motivational warrant on diversity is that moral companies would not discriminate against anyone. The warrant is motivational because the values of the company are being scrutinized. Backing is not needed in this area because of the type of warrant. It is a widely accepted warrant.

Now I will view Wal-Mart’s side of this argument.

Wal-Mart's Stance on Diversity

Like all the other arguments discussed above, Wal-Mart disagrees on this issue also. The chain claims “diversity is a way of life” at Wal-Mart not only in the employees, but in supplier practices and in charitable giving.

Wal-Mart proudly announces data to support its claim. They announce how many employees they have of different races to illustrate their stance on diversity. See the statistics below:

We are a leading employer in the U.S. with more than 251,000 African-American associates; more than 39,000 Asian and 5,000 Pacific Islander associates; more than 165,000 Hispanic associates; more than 16,000 American Indian and Alaskan Native associates; more than 856,000 women; and more than 355,000 mature associates who are 50 and older. Our 15-member board of directors includes three women, two African Americans and two Hispanics. (Walmartstores.com, n.d., employment and diversity)

In 2003, Wal-Mart established an office of diversity and set up diversity initiatives for all its stores. If the company does not hit its diversity goals, bonuses are reduced by up to 15%. In 2006, all of the Wal-Mart managers achieved the diversity goals so, therefore bonuses were not impacted.

Wal-Mart CEO Lee Scott said, “It is our goal to make sure that the percentage of qualified minorities and women we promote is equal to the percentage who apply, period. My bonus potential is reduced by 15% if we do not live up to our diversity expectations. That’s putting your money where your mouth is” (Frontline, 2004).

Wal-Mart has won many awards for being a diversified employer: Top 10 companies for African-Americans by DiversityInc.; Top 30 Companies for Diversity, Black Enterprise Magazine; Top 10 Companies for Asian-Americans, Asian Enterprise Magazine; Top 25 Companies for African-Americans, Black Professional Magazine; Top Companies for Minorities, Hispanic Network Magazine; Top Companies for Supplier Diversity Programs, Hispanic Network Magazine; Top Companies for Inclusion of the Hispanic Community, Hispanic Association on Corporate Responsibility-Corporate Index (Walmartfacts.com, n.d., Diversity page).

The chain says they are committed to hiring diverse employees so in 2005; they recruited at more than 60 diversity career fairs looking for employees. They also expanded its leadership program in 2003 specifically with women in mind. In 2004, Wal-Mart expanded the same leadership program specifically for people of color. Wal-Mart relies on and utilizes diverse suppliers everyday. The program is designed to enhance the relationships with minority and women-owned suppliers. “Wal-Mart recently invested \$25 million in a private equity fund for women and minority-owned businesses” (Walmartfacts.com, n.d., Diversity).

Not only does Wal-Mart support diversity in its hiring and suppliers, but they serve many diverse communities throughout the world. Wal-Mart claims to carry a “multicultural merchandise mix” to better respect and provide for a diverse consumer count.

Wal-Mart donates to many diverse causes such as the United Negro College Fund, the National Association of Female Executives, the Gathering of the Nations, the Organization of Chinese-Americans and many more.

The implied warrant in this area is that good companies employ diverse people. This warrant is also a motivational warrant and backing is not needed. The warrant is strong and well accepted, so backing is absent in this area.

Anti-Wal-Mart Activists' Stance on Community Impact

Critics slam Wal-Mart on community impact. They claim that Wal-Mart has a negative impact on local communities. Groups provide many data points in support of their claim. First, Wal-Mart lowers wages in general for the communities it enters. In a study cited on Wakeupwalmart.com, researchers found that Wal-Mart impacts communities negatively by driving down local wages by up to 5% (Neumark, Zhang, & Ciccarello, 2005) and (Bernstein, Bivens, & Dube, 2006).

Second, Wal-Mart also forces small “Mom and Pop” stores to close when they enter rural communities. Studies in many states including Iowa, Maine, and Mississippi indicate that local stores lose up to 47% of their business after 10 years when Wal-Mart comes to town (Wakeupwalmart.com, community impact).

In a research study about the impact of Wal-Mart, Garcia (2007) describes the impact of Wal-Mart entering the state of Iowa.

The effects of Wal-Mart’s predatory practices on potential competitors can be seen in this example from the first decade Wal-Mart was in Iowa and opened nearly 100 stores. The state of Iowa lost the following in this decade alone: 555 grocery stores, 298 hardware stores, 293 building & supply stores, 161 variety stores, 158 women’s apparel stores, 153 shoe stores, 116 drug stores, and 111 men’s and boys’ apparel stores. How many jobs were lost, and how many of these employees were

able to find work nearby, remain unemployed, or go to work for lower-paying? Wal-Mart (p. 21)

Activists argue that statistics like found in Iowa are completely unacceptable.

Third, Researchers found that the presence of Wal-Mart in a community also impacts local poverty rates negatively. The study found that communities with Wal-Mart stores had a smaller reduction in family-poverty rates when compared to communities without Wal-Marts (Goetz, 2006). “Costs to communities in terms of labor displacement and higher poverty need to be weighed against the benefits of lower prices and greater shopping convenience” (Goetz, 2006, p. 223). The battle seems like a tilt-a-whirl, and activists do not like the instability that takes place when Wal-Mart comes to town, even though their prices are low, activist say the real price of the chain is too high.

Fourth, Wal-Mart impacts traffic and causes more damage to nearby roads because of that high traffic (Wakeupwal-mart.com, Community Impact). Walmartwatch.com also provided data for several different community impact topics. This group relies on environmental issues that are discussed below as its main data to support the negative impact Wal-Mart has on communities, this point will be discussed in the environment argument.

The fourth main data point from critics is that when Wal-Mart enters a community, the load shifts to the taxpayers in the area. This burden is also a data point that critics make in their argument that Wal-Mart hurts communities. For example, most times, Wal-Mart is given government subsidies to come to a certain community. Often these subsidies are worth millions of dollars. Not only do they get

subsidies, but workers rely on government health programs because wages are so low. The group also explains that this is another reason that Wal-Mart shifts their responsibilities to the local taxpayers.

Not only does Wal-Mart expect tax subsidies, but when they attempt to build in a community, they use their size and oftentimes threaten to go to a nearby location within another county claiming that the tax generated from the stores would be lost and would go to the county in which it is built (Walmartwatch.com, 2005, Issues Community Impact).

Congressman George Miller (2004) created a report outlining approximately how much a local Wal-Mart costs to taxpayers. He concluded that \$420,750.00 per year is needed to pay for supporting a local Wal-Mart in communities. The outline of costs from his report are displayed below:

- \$36,000 a year for free and reduced lunches for 50 qualifying Wal-Mart families
- \$42,000 a year for Section 8 housing assistance, assuming three percent of the store's employees qualify for such assistance.
- \$125,000 a year for federal tax credits and deductions for low-income families, assuming 50 employees are head of the household with a child and 50 are married with two children.
- \$100,000 a year for additional Title I education funds, assuming 50 Wal-Mart families, each with an average of two children, qualify.

- \$108,000 a year for children's health insurance costs, assuming 30 employees, each with an average of two children, qualify for the Children's Health Insurance Program (CHIP)
- \$9,750 a year for subsidies for energy assistance for low-income families. (Miller, 2004)

Activists are appalled by statistics such as these, and believe it demonstrates irresponsibility. They gladly publicize the statistics as part of their argument.

Lastly, the fifth main data point is that Wal-Mart increases crime when it enters the community (walmartwatch.com, 2005, community impact page). Because of these aforementioned data points, critics feel strongly that communities are not helped by introducing Wal-Mart into their towns. Although groups use environment impact and wages in this area, I chose not to include those arguments in attempt to not over-lap the data in these issues.

The implicit warrant to this argument is that Wal-Mart should be helping the communities it enters, not hurting them. Again, the warrant is motivational because the values of the corporation are questioned. Backing is not needed because it is pretty hard to argue that the chain should be a helpful member of the community.

Now I will discuss the chain's view of entering communities.

Wal-Mart's Stance on Community Impact

Wal-Mart's side of this argument is simple. It claims that its presence impacts communities positively. Wal-Mart provides data to support the claim below. Most of the data used in this argument stems from providing jobs, tax revenues, saving

consumers money, and making donations. Wal-Mart says that they are “proud of the positive economic impact” that communities get when they come to town.

More than 126 million customers visit Wal-Mart stores within the U.S. each week. The Global Insights, Inc. (2005) study found that Wal-Mart saves each household in America approximately \$2,500 per year “regardless of where they choose to shop”. Although the study does not conclude that shoppers must buy goods at Wal-Mart, the chain still clouts that its mere presence in the community assists in helping save consumers money:

That’s equivalent to one year of natural gas and electric bills with money left over; gas for a year, two monthly car payments, and enough to wash a car seven times; or almost half of the average tuition at a public four-year university. (Walmartfacts.com, 2005, economic opportunity)

Wal-Mart totes their positive impact on local sales tax revenues. They explain that these tax increases provide funding for local schools and fire departments. In 2005, “Wal-Mart generated more than \$12.8 billion in state and local sales taxes” (Walmartfacts.com, n.d., economic opportunity). The company also recently introduced the Jobs and Opportunity Zones program (JOZ) where the company works with local city leaders to increase jobs and businesses into the places that need it most (Walmartstores.com, n.d., jobs and opportunity fact sheet).

Not only does Wal-Mart generate tax income, but they give back to many local charities. Last year, Wal-Mart donated more than \$296 million. Each Supercenter contributes “\$30,000-\$50,000 a year to local charities”

(Walmartfacts.com, n.d., economic opportunity). In fact, Wal-Mart is the largest contributor of cash in the entire nation.

Wal-Mart is proud to help with disaster relief efforts. The list goes on and on including military support and donations sent to the Middle East.

The substantive warrant of this argument is that communities want Wal-Mart to come to their area because they provide products at low costs and provide a positive impact on the community. The warrant is substantive because it involves a causal relationship with the chain entering the community. The chain comes to town; the community gets rewards for it being there. Although backing would probably be needed with this warrant, none could be found to support this warrant. Now that I have discussed the two sides of community impact of Wal-Mart, I will now illustrate the opposing sides of Wal-Mart's international practices.

Anti-Wal-Mart Activists' Stance on International Relations

Watchdog groups criticize Wal-Mart for utilizing goods produced overseas instead of supporting "made in America" goods. The claim from its critics is that Wal-Mart buys most of its products from companies overseas, specifically in China. The data for this claim is hammered out below.

The first point critics make is that Wal-Mart exploits foreign labor and purchases a large amount of their goods in China, Bangladesh, and Honduras. Workers suffer by working long hours and make only pennies an hour (Miller, 2004). The Frontline documentary reported that nearly 60% of Wal-Mart's goods were imported. Wakeupwalmart.com claims that 70% of Wal-Mart's goods come from the "communist" country of China, and critics argue that if Wal-Mart is low enough to

utilize an immoral way of producing goods, Americans should not support them. The argument also explains that China workers are not worried about their goods and whether or not they are harmful to America's children.

The large, ethical controversy about imported goods stems from Wal-Mart's push for "everyday low prices." The facts show that products from a country such as China are going to be much less than American made products. Chinese workers can make as little as 0.17 per hour. Reports have also indicated that workers are mistreated and forced to work long hours for almost nothing (Greenwald, 2005).

In 2005, workers in China, Bangladesh, Indonesia, Nicaragua and Swaziland sued Wal-Mart for allowing workers to be paid less than the minimum wage, managers beating workers, locking them in the building, and not being compensated for overtime (Wakeupwalmart.com, n.d.).

Not only are most of Wal-Mart's goods produced overseas, but critics say that American-based companies have also left US soil in order to be one of Wal-Mart's suppliers. Frontline (2004) indicated that American companies are forced to go overseas to keep up with Wal-Mart's demand for low prices. Because of this disparaging of companies moving to China and similar countries, jobs within the U.S. are lost. "Wal-Mart's trade deficit with China alone eliminated nearly 200,000 U.S. jobs between 2001 and 2006" (walmartwatch.com, 2005, supplier relationships page).

The third data point in this area is that the company does not keep up on inspections of the factories overseas, so conditions for those workers are extremely atrocious and inhumane. Wal-Mart's inspection visits are most often scheduled, not unannounced. In the documentary "High Cost for Low Price" Greenwald (2005)

interviewed a few workers who work for companies that supply for Wal-Mart. The workers indicated that during inspections, the workers are told to lie about the hours they work, how many days they work in a row, and are told that if they tell the truth, they will be fired.

Wal-Mart utilizes hundreds of factories in China, and conditions in their factories are extremely inhumane. “Workers making toys for Wal-Mart in China's Guangdong Province reported that they would have to meet a quota of painting 8,900 toy pieces in an eight hour shift in order to earn the stated wage of \$3.45 a day. If they failed to meet that quota, the factory would only pay them \$1.23 for a day's work” (wakeupwalmart.com, Wal-Mart and China page). Critics argue that \$3.45 a day is not enough.

A previous Wal-Mart executive claimed to have been fired after warning the company of inspection violations. He found out about brutal actions taking place at supplier factories. “He documented pregnancy tests, 24-hour work shifts, extreme heat, pat-down searches, locked exits, and other violations of the labor laws of these Central American countries” (wakeupwalmart.com, Wal-Mart and China page). He sued Wal-Mart because of his firing over the issue.

In Dateline's attack on Wal-Mart, crews flew to Bangladesh to examine worker's conditions there. Dateline found that workers conditions were horrific and found children working in the factories. Wal-Mart's reaction to the allegations returned unconnected comments from CEO at the time David Glass. He said, “I think the stories of children being locked in and exploited are certainly something that we've not been able to verify” (Benoit & Dorries, 1996).

The warrant of this argument is also a motivational one. Wal-Mart should not support companies that exploits child labor, inhumane conditions and should support American suppliers. American values uphold this warrant and a backing is not used, nor is it needed.

Now I will review the stance from Wal-Mart on its international allegations of disastrous outsourcing.

Wal-Mart Activists' Stance on International Relations

Wal-Mart disagrees fully to the preceding allegations of critics' argument. The chain admits to using outsourcing for most of its goods. Wal-Mart's claim is that it has a high ethical standard for all its suppliers and it only uses factories that adhere to those guidelines.

Wal-Mart provides the data for their above claim. In 2005, Wal-Mart audited more factories than any other company in the world. They also increased their unannounced visits by 100%. Not only have auditors found more violations, but certain violations can result in immediate discontinuation of production for Wal-Mart. So if a supplier does not meet certain criteria, Wal-Mart's consequence is that they will not use that supplier any more.

The company's ethical standard explains that suppliers must pay their employees appropriately and provide benefits to comply with local and national laws. The standard also says that the suppliers must give their workers a day off every six days. The chain also strictly prohibits forced/prison labor and also strictly prohibits child labor in its ethical policies.

The motivational warrant in this argument is that Wal-Mart only accepts supplies from factories that are humane and safe. This is a motivational warrant because as a whole the values and ethics of mankind should not exploit factory workers to get products for cheap.

The backing for this warrant is that the company explains that they have the right to “make periodic, unannounced inspections of suppliers’ facilities and the facilities of suppliers’ contractors to ensure suppliers’ compliance with these standards.” These standards are 1-“respect for the individual”, 2- “service to our customers”, and 3- “strive for excellence” (walmartstores.com, n.d., standards for suppliers).

After viewing international arguments about the chain, I will now examine the arguments from both parties about sustaining the environment.

Anti-Wal-Mart Activists’ Stance on Environment

Wal-Mart critics argue that the environment is an important aspect that Wal-Mart ignores. The claim from watchdog groups is that Wal-Mart does not care about the environment because they destroy the environment and violate environmental laws.

Critics provide many data points supporting their above claim. First, activists say the chain violates hazardous waste laws. Wal-Mart allegedly used their trucks to transport hazardous waste instead of disposing of the hazardous waste properly. Wal-Mart is under investigation due to the improper disposal of hazardous waste because it supposedly brought the waste across the California/Nevada Stateline and disposed of California waste in Nevada. Wal-Mart was fined \$5 million between 2003 and

2005 from state and federal environmental agencies (wakeupwalmart.com, environment).

In 2004, Wal-Mart was fined for violating environmental laws in nine states: California, Colorado, Delaware, Michigan, New Jersey, South Dakota, Tennessee, Texas and Utah (walmartwatch.com, n.d., environment). The company also faced fines for polluting the air in eleven states (walmartwatch.com, 2005, environment page).

The company also faced legal allegations in the state of Connecticut. “In 2005, Wal-Mart reached a \$1.15 million settlement with the State of Connecticut for allowing improperly stored pesticides and other pollutants to pollute streams. This was the largest such settlement in state history (wakeupwalmart.com, environment). Critics argue that there is no excuse for allowing goods to pollute streams.

The warrant on this argument is that everyone, especially big retailers such as Wal-Mart has an obligation to protect the environment. The warrant is a motivational one. The environment should be cared for and protected. Not everyone agrees in the level of protection that the environment should get, but widespread this warrant is an accepted statement that the environment should not be destroyed. Because of the strength of this warrant, a backing is not necessary.

Now I will move on to examine the arguments from Wal-Mart’s side.

Wal-Mart’s Stance on Environmental Impact

The company disputes the argument that they are not environmentally friendly. Wal-Mart claims to be a “good steward” to the environment. The data is abundant to support this claim. First, the company says that they are environmentally

friendly. In fact, the chain is making sustainability changes to help with their impact on the environment, and has set high goals: to be supplied with 100% renewable energy, to create zero waste, and to sell products that sustain our resources and our environment.

Second, Wal-Mart buys enviro-friendly products including an organic cotton yoga outfit, and buys all their fish from non-profit certified fisheries that battle solutions of over-fishing. In 2006, Wal-Mart partnered with two organizations, GAA and ACC, to make sure that all the shrimp they acquire came from the best standards as possible.

Next, the company also argues that its trucking industry is involved in enormous changes for the good. Wal-Mart is improving its fleet fuel efficiency by 25% over the next couple of years. Wal-Mart also plans to “share our learnings with the world, including our competitors, because the more people who utilize this type of technology, the larger the market and the more we can save our customers” (Walmartwatch.com, 2005). “Emerging alternative fuels, such as cellulosic ethanol, algae biodiesel and hydrogen, offer promise to meet our future transportation energy demands. Wal-Mart is committed to exploring these innovative fuels and finding viable alternatives to fossil fuels” (walmartstores.com, n.d., alternate fuels fact sheet).

Another data point in this argument is that Wal-Mart plans to work with suppliers to create less packaging when possible and when impossible, to be sure that the packaging is recyclable.

Our packaging team, for example, worked with a supplier to reduce excessive packaging on some of our private-label toy products. By making the

packaging just a little smaller on one private brand of toys, we will use 497 fewer containers and generate freight savings of more than \$2.4 million per year. We'll save more than 3,800 trees and more than 1,000 barrels of oil.

(Walmartwatch.com, 2005 , sustainability page)

Their corporate fleet of vehicles added hybrid vehicles in 2003. Hybrid cars are much better for the environment and are much more fuel efficient.

Not only does Wal-Mart have specific goals to improve its impact on the environment, they are urging others to recycle. They started to program in California for elementary school students to learn to be responsible by recycling. This program allows the students to earn money for their schools by recycling. More than 400 schools have participated in the program and through the program, more than 104 tons of plastic bags have already been recycled. This earned more than \$116,000 for the schools.

Wal-Mart has opened two experimental stores one in McKinney Texas and one in Aurora Colorado. These two stores utilize LED lights in the freezers, signs and cases, evaporative cooling systems, and heating that utilizes used cooking oil from the deli. In this same effort, Wal-Mart is testing water conservation by planting drought-tolerant plants, using drip systems instead of sprinklers, waterless urinals in the restrooms, water and water-conserving sinks.

While building the two stores, the company recycled as much as possible of existing buildings. In one case it saved 50 percent of its materials and the other saved ten percent, therefore saving a lot of waste from going into the landfill. During construction, the company also utilized recycled rubber sidewalks, recycled

pavement, ternary concrete, used recycled products to finish the interiors, and reduced the chemicals by using organic compound building materials.

The company also donates millions of dollars to environmental groups. Recently the chain set up “Acres for America” with the National Fish and Wildlife Foundation. In this program Wal-Mart has agreed to protect an acre of wildlife habitat for every acre of land development. They project to be spending \$35 million over the next ten years.

The motivational warrant for this argument is that if Wal-Mart cares for the environment, it will help sustain it. Backing is not needed with this argument because of the nature of the warrant.

Now that I have displayed the results of the Toulmin elements in each of these arguments discussed above, I will continue to the discussion portion of the analysis where I will review the three research questions and discuss each of the six arguments and display the weaknesses in each argument.

Chapter 6

Discussion

Now that I have outlined the results of the analysis, I will now discuss those results in detail, explaining my contribution to the genre of argumentation research and include my insight for further research in this area. Organizational argument is ripe for future research, especially within such an organization as Wal-Mart. As the preceding section described, the six most controversial arguments about the chain show different points of evidence for and against Wal-Mart. The anti-Wal-Mart argument and the pro-Wal-Mart argument both have compelling points. For review sake, below are the three research questions defined earlier in the paper:

RQ1: First, do Wal-Mart and its competitors establish a clear argument about the six topics explained in the proposal?

RQ2: Second, are the arguments strong or do they lack certain argumentative elements from Toulmin's model?

RQ3: Third, which argument is stronger?

First of all, the arguments on both sides contained the main triad from Toulmin's argumentative model (claim, data, and warrant). Some of the arguments did contain a backing for the warrant, but rebuttals and qualifiers were missing completely. I have concluded that rebuttals were not utilized in these arguments because of the arguments did not take place in a face-to-face manner. Because the arguments were not back and forth in nature, the rebuttal was not needed in the arguments. To review, a rebuttal is an element in the argument that allows the arguer to make an exception to their claim. So in the gasoline example used above, the

exception would be that if drilling could take place to make more oil available again, the price would not increase. So if you think about the nature of the Wal-Mart arguments analyzed here, a rebuttal does not make sense. For example:

Claim: Wal-Mart's wages are good.

Hypothetical Rebuttal: Wal-Mart's wages are not good in Podunk, Utah because the workers there are uneducated. As illustrated, the nature of the argument did not need a rebuttal to be strong. In fact, using a rebuttal would have made the argument weaker. See another example,

Claim: Wal-Mart destroys the environment.

Hypothetical Rebuttal: Wal-Mart only destroys the environment in certain states, but in other states, they care for the environment.

Again, the type of arguments that this thesis examined, did not need rebuttals. I did not come across one rebuttal in the enormous stockpile of data that was analyzed. I have explained why.

The qualifier was also omitted from the arguments. To review the qualifier is a word like "probably" or "most likely." I think that this element is mostly used in informal arguments because this element is something that only exists in unconfident arguments. I can see that in other "traditional" types of argument that a qualifier would happen naturally. But in these "written" arguments qualifiers were not used. For example when someone is arguing with another person, they tend to use qualifiers which indicates how strongly they feel about the subject. Such as "It is probably the best hamburger I have ever had." The arguer is not saying that it is the best hamburger, but that it is "probably" the best hamburger. On the other hand the

arguments that I analyzed did not contain this element, and I agree with their strategies to omit this element because if they would have, it would have weakened the arguments. Researchers can hardly ever say that their findings are certainties, but in this case, both sides are claiming so. For example, groups say, “Wal-Mart has a negative impact on local communities.” (Walmartwatch.com, 2005, community impact issues page). They do not say Wal-Mart probably impacts communities negatively. Because of the strength of their arguments, their claims do not include this element. To illustrate examine the claim below:

Claim: Wal-Mart probably destroys the environment.

I discovered that qualifiers can weaken text-based arguments. The qualifier in the fictitious claim above is “probably.” I argue that in this type of analysis qualifiers were omitted purposely to strengthen the claims of the arguments.

The lack of backing is also evident in the types of warrants used in the arguments. Most of the warrants were motivational, or value laden. The values used in the warrants were mainstream values that the public would agree with and no backing was needed as a result. For example, the motivational warrant used in the international impact section is based on the value that no company should exploit factory workers with inhumane working conditions just to get products cheaper. Because of the strength of the values associated with this warrant, most could not argue with it. Motivational warrants are persuasive when used correctly. And the above example illustrates a correctly used motivational warrant. The warrant ties into the good vs evil ethics of mankind. As these arguments illustrated, the warrant can be strong when the audience supports the warrant. For example, conventional population

members would agree that destroying the environment is bad. In this case the warrant is unconquerable because the strength of the warrant ties to strong values learned from childhood. I remember learning “give a hoot and do not pollute” at an early stage in life. So for me, the value to not destroy the environment stems deep. The motivational warrant can be the most compelling of all the types of warrants because of this value-laden nature.

I will now discuss each topic and the arguments in each area.

Wages

The arguments from both sides use Toulmin’s elements. To review, Wal-Mart enemies claim that the chain does not pay their employees enough, and Wal-Mart obviously disagrees and claims to provide “competitive pay”. However, the warrant from the anti-Wal-Mart groups was much stronger than that of the warrant and data on Wal-Mart’s side. I believe the strength of this warrant came because it was a motivational warrant. If Wal-Mart cared about their employees, they would pay them a living wage because without a living wage, people cannot survive. The points that watchdog groups made by revealing that Wal-Mart has the money to increase the wages, but choose not to increase them, allowed their argument to the slight victory over the other side. Activists say that Wal-Mart has created the myth to convince people to believe that if they were to raise their wages, their prices would go up.

The activists supported their warrant with additional backing data in this area and found that is not true that if wages went up, so would prices. The company’s profits are far more than they describe. Wal-Mart’s argument relies on the strategy that its wages are low to keep the prices low, but the activists searched the right

sources for their data. They dissected the Wal-Mart annual reports. These investor-based reports tout rising profits, and therefore the backing data is given accreditation. Because this data supports the activist's claims that profits are high enough to raise wages, the argument is won by the activists—first by the use of a strong motivational warrant, and second by the data that stemmed originally from the chain itself.

Wal-Mart's arguments attempted to counter, but the data fell short. For example, Wal-Mart's strategy in this area was mostly statistical data of how much it pays their employees. The critics were able to reveal holes in the argument. When Wal-Mart calls their wages "good" or "competitive" it cannot withstand the point that they could be easily made "better." The statistics of how much their employees make became instantly unimportant because they could still be raised. If Wal-Mart wanted to strengthen its argument in this area, they would have to be prepared to show that the profits are not high enough to sustain higher wages. I think that suggestion would be impossible to do due to the investor relations consequences it would entail. It also does not help that CEO and upper management make such outrageous salaries. When the activists brought up the differences in salaries between the front-line employees (the victims) and the upper-level management, the argument against the chain got stronger. Again, the motivational warrant was backed by the difference in pay from top to bottom. This point reinforces that if the company cared about its employees, they would be paid a living wage.

Now that I have discussed the argument about wages, I will now move on to the significant findings in the health care area.

Benefits

Arguments from both sides of the health care battle also use Toulmin's elements. Activists claim that the chain does not provide effective plans. Wal-Mart claims that in 2008 their health plans are changing for the better. Wal-Mart's argument in this area wins. The chain includes data to successfully counter the harmful data that the activists produced. The company's new 2008 benefit overview shows that it is changing its health plan to be more useful for their employees. The data is strong. For example, the chain explained that its new "value plan" will combat higher deductibles (which was a huge argument from the activists) by providing credits to employees that the plan will cover costs before deductibles are needed.

Wal-Mart's argument is strong also by admitting that the changes in the plans are to better serve its employees. The company specifically mentioned that it was listening to the needs of the employees and making efforts to help them. If I would have done the analysis a year ago, the results would have been different, but because of the recent changes in their coverage, Wal-Mart wins this argument, hands down.

Another of the major data points is that the company has made leaps and bounds to fight the argument that their company relies on Medicaid to cover their employees. They proudly announced that 7.8 percent of employees that were on Medicaid have now switched over to their coverage. As long as the company continues on this path, I do not think that critics will continue to have a beef about this issue with Wal-Mart. The chain successfully stood up for itself.

The warrant of this argument is strong because the company implies that its goal is to help ALL employees have some sort of coverage. The warrant is also

extremely strong because it is a substantive warrant which involves cause and effect situations. The public would agree that people should have health insurance to protect their families. The chain discusses its edge over the competition by allowing workers, both full and part time to be eligible for coverage. It illustrates that Wal-Mart is trying to help their employees obtain coverage.

Wal-Mart has done a great job changing in this area. Over the past year that I have studied the chain, I have seen an enormous difference from the beginning to now.

Diversity

The arguments about diversity are clear, and the evidence strongly implies that Wal-Mart has had to learn some extremely hard lessons. Activists say that Wal-Mart discriminates against women, minorities, and people with disabilities. Wal-Mart claims the opposite with a broad statement of “diversity is a way of life” within the chain. Both sides contained strong argumentative elements as described by Toulmin. Wal-Mart’s arguments just could not beat its competitors in this area. The data was the factor in this argument that separated the strengths and weaknesses in this area. The class action suits provided compelling data against the chain in this area. Although the company tried to appeal the ruling to *Duke V. Wal-Mart*, in January 2007, they lost that battle. Most likely the company will end up paying millions and millions in damages. The activists also gave staggering statistics about women holding more hourly jobs and only 15% of manager positions. Critics also pointed out that women earned a significant percentage less than men in the same job position.

The critic's warrant was strong enough that most could not disagree with it. The warrant was again, a motivational warrant. To review, the warrant was that any moral company would never discriminate against anyone, and unfortunately the data supports the opposite in this case and Wal-Mart is facing the harsh consequences because of it. When a motivational, value laden warrant is used, it is pretty tough to compete with it.

Another problem that I encountered in this argument was that Wal-Mart's data in this area was weak by only reporting how many people of each race works for the chain. If the chain's wages between men and women are similar, that is the type of data that could have strengthened the argument for them. Unfortunately for Wal-Mart, this argument was clearly stronger on the activist's part. The data was irrevocably stronger with the lawsuits demonstrating credibility to the data and illustrating that the chain has discriminated in the past.

Now that I have discussed wages, health care, and discrimination, I will now move on to the argument about community impact.

Community Impact

This area in the large picture of all the arguments about the chain is probably the most heated debate out of the six mentioned in this thesis. Is Wal-Mart good for the communities it enters? The arguments from both Wal-Mart and anti-Wal-Mart activists contain most of the elements in Toulmin's model. To review, Wal-Mart touts its positive impact on the communities it enters, but critics say the chain has a detrimentally negative effect in communities.

Unfortunately, Wal-Mart's argument fell short in this area. The data from critics pointed out an overall decrease in wages due to the chain. The chain also forces others out of business, impacts local poverty rates negatively, increases traffic and road damage, takes advantage of local subsidies by costing taxpayers in many areas, and raises crime. The data from critics about the six aforementioned "negative" impacts that the chain has on communities is strong because through numerous research studies, the critics validated the data, and therefore the claim that Wal-Mart hurts communities it enters, is confirmed. When data is supported in many areas demonstrating several angles, the claim cannot be ignored. Critics were able to show six overwhelming reasons that Wal-Mart's community impact is negative.

On the other hand, Wal-Mart tried to present its data about charitable donations and tax revenues. The chain claims to provide hefty charitable donations within local organizations. To review, the warrant was a substantive warrant implying that communities want Wal-Mart in their neighborhoods because it provides low prices and a positive impact on the community. The warrant was weak because unlike Wal-Mart discusses, a lot of communities fight against the chain to prevent them from entering their community. The warrant lacked backing to support it and in this case, the warrant needed backing. The claim that Wal-Mart donates millions of dollars yearly was supported with evidence, but the warrant could not make the connection between the data and the claim. They lacked illustrating that communities wanted them because of their donations.

The arguments from critics contained a much stronger warrant utilizing a motivational approach to make its point stronger. The implicit warrant in this

argument was that the chain should be helping the communities it enters, not hurting them. I think the public would agree to that warrant, so a backing was not needed. So, when the critics supplied evidence that communities had been damaged by the chain, their argument was made and it soared past Wal-Mart's in this case.

International Relations

The arguments about outsourcing are also a hot, controversial topic that tends to land in the media often. Wal-Mart claims high ethical standards in its outsourcing practices, but critics do not believe that workers are treated fairly, paid enough, or have humane working conditions. Wal-Mart's argument is that outsourcing is not uncommon for more companies than themselves, but critics argue that factories with such laden conditions should be closely monitored and argue that Wal-Mart along with others, do not do a good enough job in that watch-dog role. Critics provide compelling data illustrating that Wal-Mart does not monitor factories well enough. Because of this strong data, Wal-Mart's arguments were not nearly as strong as its enemies in this topic. Again, the warrant from Wal-Mart was that they would never use factories that do not adhere to certain ethical standards. Similarly, critics used a motivational warrant also. This warrant was that Wal-Mart should not use companies that pay pennies per hour, exploit children...etc because it is ethically wrong. The critics' warrant is extremely strong and arguing with it is inane. Although Wal-Mart's warrant agrees with the critics warrant, the data discredits Wal-Mart's warrant in this argument. Critics have taken hidden cameras into factories utilized by Wal-Mart and have exposed factory conditions. The data is persuasive against the chain.

Although Wal-Mart makes an effort to explain its code of ethics on the issue, the critics dissected those claims and efficiently countered them. Wal-Mart claimed that they make more inspections than any other company, and although this could be true, the data from the activist still indicated that sweatshops located overseas are still horrific, inhumane factories that Wal-Mart utilizes for products.

Another problem that I encountered with Wal-Mart's argument was a data location problem. Although in the other categories, Wal-Mart takes an aggressive stance about subjects, this issue is not one of them. In fact, on their main informative website www.walmartstores.com where they provide fact sheets about all other five controversial arguments little is stated about outsourcing to China or similar factories abroad. The company seems to avoid the argument to some extent. With a little digging, I did find Wal-Mart's global ethical standards program, but it does not exist on the same page as the other arguments.

When I found the informational site I obtained some great information on Wal-Mart's defense. The only problem is that the fact that Wal-Mart left it out of their corporate facts sheets is troubling. I think their argument is helped by the other site that was found, but it could use some work to justify why outsourcing is such an important role in keeping prices down. Honesty should be a better policy than simply avoiding the subject. The informational site that I found was pretty general and did not give a strong sense of justification of using such factories as suppliers.

Although data location is not part of the Toulmin model, I felt it necessary to discuss this problem with Wal-Mart's argument in this area. If they want to justify

using outsourcing, they need to make the argument in the same location as the other arguments.

Now that I have reviewed international operations and a few others, I will now discuss the impact Wal-Mart has on the environment.

Environmental Impact

The last argument about Wal-Mart is about the environment. Wal-Mart claims to be a “good steward” to the environment, and watchdog-groups claim that Wal-Mart damages the environment. Both groups have strong arguments in this case, and although they both have strong claims, data, and warrants in this argument, Wal-Mart’s data was stronger than its critics. According to the data, Wal-Mart is working hard to help sustain the environment. The warrant from critics is basically that no one should hurt the environment, and although Wal-Mart has had some run-ins with environmental laws, the company is making up for it in environmental research breakthroughs. The warrant on Wal-Mart’s argument was that if they cared for the environment, they would help sustain it. Because of the seriousness of the issue, Wal-Mart has made appropriate goals and changes to protect the environment. They are a large corporation that produces a lot of waste, and they are on a mission to recycle that waste into other products such as compost from their deli, meat and dairy departments.

One of the strongest data points about Wal-Mart’s efforts in this area is that they argue that all of their findings will be available to the world, even their competitors. I think this demonstrates true concern for the environment because they are not just finding the best technology out there and hoarding it. They plan to share it.

In the environment issue, I think Wal-Mart's efforts are genuine. The data strongly supports their claim of becoming more and more environmentally friendly over the next three years. I think it will help them save money along the way, and that is what Wal-Mart is all about.

The overall approach used by the critics of Wal-Mart was to expose the chain as a harmful corporate citizen. The activists have publicized scads of data about the areas that the chain needs to work on. The activists seem to be printing all the chain's dirty laundry in hope that the chain will change their ways and improve. In fact, the activists claim that their campaigns purpose is merely to "make Wal-Mart better." (walmartwatch.com, 2005, home page) The more attention they acquire, the larger impact their argument will be.

On the opposing side, Wal-Mart's argument is purely informational. Their site tells their side of the story if you will. The only problem with their approach is that their arguments do not counter their opponents in certain areas. For example, in the international relations area, Wal-Mart never explains why they use outsourcing. They never justify their importing practices, and they never provide data that they are actually following through with their inspections of the factories. As a result, this feels like the weakest argument on the Wal-Mart side.

I have reviewed and discussed all six arguments about Wal-Mart and will now finish with limitations and my conclusion.

Chapter 7

Limitations and Conclusion

The arguments in this thesis were a matchless challenge. The data was piled high, and by sifting through the scads of discourse, the arguments were outlined and analyzed. The Wal-Mart argument was chosen because of its controversial nature. The evidence of the strength of the arguments was unmistakable before I began. I ran into a few bumps in the road along the way. Although I received IRB approval to interview Wal-Mart managers, the company has a strict, closed communication system. The company corporate office would not comment other than to explain that “Wal-Mart’s policy is to not participate in any student project.” When I contacted Wal-Mart managers, they also gave a strict comment explaining that they will not participate. I told them that it was their way of expressing their side of the argument. A store manager simply pointed to a sign located near the customer service desk that read, “If you want to know the FACTS about Wal-Mart, ask us.” He also explained that a website was created solely for this reason. The website he said to go to was www.walmartstores.com. Wal-Mart should be a more open employer. Although corporations cannot control what their employees say, not participating in ANY project made it look like they company had something to hide. I can see if they do not want students to talk to just any of the two million employees, but they should have a department that deals with questions from the public. It would be easily controlled and would allow the public to have some oral communication about company opinions. Because of this limitation, I had to be creative in obtaining communication from their company. I transcribed testimonials of the company’s spokespersons from

documentaries. Although this was the solution that I was forced to resort to, the interviews would have been useful to show the argument at a personal level. If I would have been able to get the argument first hand from managers, the results would have been impacted. I think the missing elements from the Toulmin model would have been apparent and qualifiers and rebuttals would have been a natural part of their argument.

As illustrated in the discussion section, watchdog groups posed stronger arguments in four out of the six arguments. Most of these arguments were won with motivational warrants and posed an ethical victory over the chain. These four categories were wages, diversity, international outsourcing, and community impact. Wal-Mart did, however, pose a much stronger fight in arguments about health care and environment. The chain provided solid data to support their arguments and as a result, their arguments were stronger than those of their enemies in those two areas. Wal-Mart's arguments were extremely strong in the health care area, which surprised me. I had been studying the arguments for over a year and by the conclusion, I had changed my mind from the beginning to the end. The data changed and made the argument impeccably strong. The chain also had an exceptionally strong argument in the environment area. The data from the chain intensified the argument and deemed the case a complete victory.

Overall, the main deciding factor that impacted the arguments detrimentally was the type and strength of the warrants. If the warrant in the argument was not strong, the argument could not withstand the competitor's data and claim. In fact, backing was not utilized in certain arguments from Wal-Mart. To review, when a

warrant is not widely accepted, backing justifies the warrant, and as a result, the warrant is stronger. Unfortunately, Wal-Mart did not demonstrate backing to strengthen its warrants in their arguments and as a result, their arguments were feeble compared to their competitors' who used mostly wide-accepted motivational warrants.

The easiest way to describe which side had the strongest argument is to think about a parent-child relationship. The parent wants his/her child to be responsible, and to add something positive into this world. In this case, the parent (the activists) wants Wal-Mart to live up to its full potential. They do not want the chain to be greedy, take advantage of people, or ruin the environment. Although the parent cannot force the chain to make these correct decisions, they have made it clear which path the child (or chain) should take (like increase wages, provide better health care...etc). They, the parents, are constantly watching the decisions the child makes to be sure that the child is learning lessons and being kind to others.

Even a child makes mistakes sometimes, and with mistakes come consequences. When Wal-Mart had some environmental disasters, they resulted in legal action. Similarly when Wal-Mart was the blunt of lawsuits for discrimination, the parent was disappointed in the child's behavior. At times, a parent scolds their child, and explains what he/she did wrong. The activists acted as so. A parent also hopes that their child will learn from those mistakes and never make a similar mistake again. But even further, the parent also wants the child to make the wrong a right. For example, if a child hits another person, the parent wants the child to apologize to that hurt person and to make it right.

These watch-dog activists are like a parent, and most the time, the parent is right. That does not mean that the child is not making some good choices too, but the parent wants their child to be constantly aware of their impact on others, and make sure that their influence is good and not bad. Sometimes the child does not realize that the parent is right until he/she has learned the hard way. But, when the parent is only trying to push the child for the good, it would be better for the child to adhere to the parent's desires. In fact, if the child listened sooner, it might prevent ill consequences beforehand.

Although the parent-child analogy is not a perfect one in this case, it can describe which argument is stronger. The activists argue for the good of others, such as worker's wages, benefits, workers in Chinese factories...etc, and their arguments embrace an ethical and corporate responsibility backdrop. These arguments are much more compelling than the informative arguments on Wal-Mart's side. As described above, the activists make their points with well-thought out points of data and warrants, and because they are only striving for the chain to be responsible, their arguments surpass the chain.

A fascinating discovery I made while utilizing Toulmin's model was the overwhelming significance of motivational warrants. This analysis examines motivational warrants deeper than previous analyses. As illustrated in this thesis, a motivational warrant stems deep and includes the virtues, values, and feelings of society and includes pre-existing notions about good and bad, right and wrong...etc. The powerful, motivational warrants that gave activists the upper hand in this argument are as follows:

- No company should damage the environment.
- Companies should pay their employees enough to provide necessities for themselves.
- Companies should never discriminate against anyone.
- Companies should not exploit children or utilize inhumane factories overseas to obtain goods for lower prices.

All illustrated above, a widely-accepted motivational warrant can simply give the arguer the upper hand through its power and genuineness. I feel that the activists displayed several powerful motivational warrants in their arguments.

Overall, Toulmin's model was an applicable tool for the method of analysis of the Wal-Mart argument. The main triad (claim, data, and warrant) was evident in every argument. Backing was used in several of the arguments, but I also found that qualifiers and rebuttals were not used in text based arguments. I believe this finding to be true because the arguments studied were found in tightly controlled artifacts. I also think that would be the case for any argument similar to the Wal-Mart argument. If the argument is found on-line, away from the face-to-face traditional type of argument, those two elements would not be found. The arguments laid out this way are unique because they do not actually go head to head, they exist on separate web pages and report opposite data. I add that arguments similar to this argument are ripe for future research. Union-based attacks are mature for future research also.

The unique nature of this thesis was also ground-breaking while combining public relations research and delving into organizational crisis using an argument analysis to scrutinize both communication strategies in their arguments. What better

artifact to dissect than an argument involving the largest corporation in the world?

Not to mention that the corporation is spiraling in a public relations disaster. An analysis of this controversial subject has been a valuable insight into the most powerful, largest corporation in the world. Organizational communication and public relations research is minimal on the giant that is Wal-Mart. What would be fun would be to see both sides fight it out in a head to head, face to face debate!!

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