

The Effect of Low Prices: American Big Business

Cause/Effect Essay

Step #1: Exploring the Issue

A. Discussion: What do you know about Walmart? *Scan reading from Impressions 2, p. 13*

Key Vocabulary:

- Depreciation of property values – value of property goes down over time (This is unusual → it usually increases)
- Liquidate (sell off all assets)

B. Film: *Walmart: The High Cost of Low Prices*

Watch the film and take notes:

Effect of Business Strategy on	+ OR -	Details
Consumers		
Community		
Employees		
Other:		

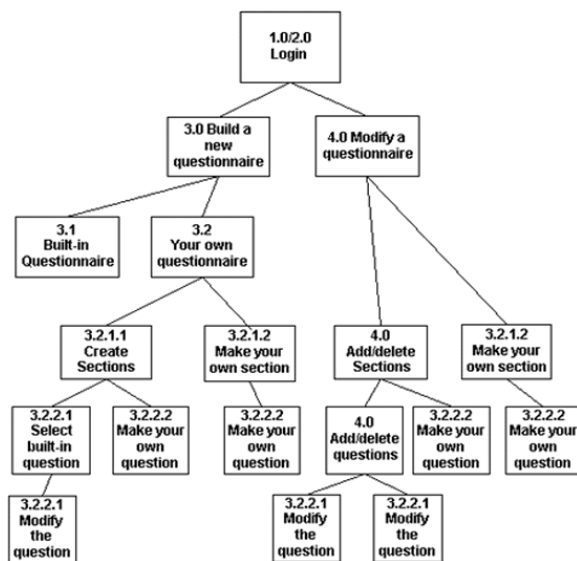
Effect of using foreign Labor on		
US Workers / Economy		
Foreign Workers		
The Company		
Other:		

Step #2: Webbing

Create a thought web of effects of Walmart and other similar big retail companies.

Think about:

- Positive effects
- Negative effects
- Effects of those effects*
- Connect them with arrows



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Step #3: The Assignment

Write an essay on one of these two prompts:

- Describe the positive **and** negative effects of the business strategies of Walmart and other similar big retail companies.
- According to the U.S. Government, total imports from China in 2009 were \$193 trillion dollars. Describe the positive **and** negative effects of importing consumer goods.

Timeframe:

1. Typed Outline + 3 Source clips due **Wednesday, October 13**, printed out, on the table by **9:30am**.
2. Typed Draft 1 due **Monday, October 18**, printed out STAPLED onto outline on the table by **9:30am**. (Print this BEFORE coming to the computer lab for class.)
3. Typed Final Draft due **Wednesday, Oct 27**, printed out, STAPLED onto First Draft and Outline, on the table by **9:30am**.
4. Editing Checklist due **Wednesday, Oct 27**, with your final draft of the essay.
 - Make sure to make an appointment with Kristin and with me sometime between Oct 11-Oct 26.

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OUTLINE

WAE p. 95 – Block Organization D (Can also have transition paragraphs)

Introduction

Hook

- Interesting fact or statistic
- Example or anecdote
- Historical background

Thesis Statement: _____

Body

1. Effect #1: _____

Support:

Support:

Support:

2. Effect #2: _____

Support:

Support:

Support:

3. Effect #3: _____

Support:

Support:

Support:

4. Effect #3: _____

Support:

Support:

Support:

Outside Sources: Find **one passage** from an article or website to support **each effect**. Copy & paste the source at the end of the outline.

A few suggestions:

http://www.aficio.org/corporatewatch/walmart/walmart_4.cfm

<http://www.suite101.com/content/top-chinese-exports-imports-a24920>

http://walmartwatch.com/issues/community_impact/

<http://web.mit.edu/newsoffice/2006/iap-walmart.html>

Google Video: *Walmart: The High Cost of Low Prices*

<http://www.uschina.org/statistics/tradetable.html>

http://www.associatedcontent.com/article/414360/the_effects_of_walmart_on_inflation.html?cat=3

Example:

Effect #3

IAP: Econ professor illustrates benefits of Wal-Mart

Sarah H. Wright, News Office

<http://web.mit.edu/newsoffice/2006/iap-walmart.html>

The direct effect for consumers is easy to spot, he said: Wal-Mart brings in lower food prices. Cereal, for example, costs 17 percent less at Wal-Mart than at a traditional supermarket.

The indirect effect of Wal-Mart occurs "even if you never enter a Wal-Mart," Hausman said, since supermarkets tend to drop their prices in competitive response to Wal-Mart's. In addition, Wal-Mart does not raise its prices after it has driven out the competition, he said.

"The indirect price effect is 5 percent even if you never go into a Wal-Mart," he said.

Hausman presented graphs to show that Wal-Mart's impact on consumers varies by income category: For families with incomes less than \$10,000 annually, a super center makes a 30 percent difference in what they can buy. "The marginal utility on the poor is greater," he noted.

**HOMEWORK - Typed Outline + 3 Source clips due
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