HUFF BUSINESS

Justin Timberlake, Taylor Swift, Alicia Keys and Elton John Should Get a Divorce -- From Walmart

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Every year Walmart holds a combination shareholder meeting and pep rally to whip up enthusiasm and promote its image as a good investment and a good corporate citizen. These huge events have the quality of a religious revival meeting, including testimonials and music to keep its stockholders and employees (whom Walmart calls "associates") enthralled. *Women's Wear Daily* called last month's event, with 14,000 shareholders and employees, "a high-octane, entertainment-filled spectacle with moments devoted to business."

The company always invites celebrities to entertain and mingle. At last month's gathering in Bentonville, Arkansas -- the company's headquarters --- singers Kelly Clarkson, Jennifer Hudson, John Legend, and Prince Royce performed, Hugh Jackman emceed, and Tom Cruise cruised the crowd, then mounted the stage and said: "I've wanted to come here for quite some time, actually because the culture you have here is like no other. I truly admire your company. [It's] a role model for how business can address some of the biggest issues facing our world." He also praised Walmart for "using its size and scale to improve women's lives around the world."

Even the celebrities, however, couldn't completely drown out the comments of a several uninvited and unwelcomed guests who raised questions about Walmart's business practices.

Kalpona Akter, a former Bangladeshi garment worker and a leader in the fight for safer factories, was invited to Bentonville by Walmart shareholder Jim McRitchie, who wanted his fellow shareholders to hear first-hand about the miserable conditions in a Walmart supplier factory in Bangladesh where 112 workers were killed in a fire last November at theTazreen factory, the 1,129 people who were crushed to death in April at a Bangladeshi sweatshop that produced clothing for Walmart, and Walmart's refusal to join with European retailers in signing an international safety agreement that would prevent such disasters in future. Akter brought along Sumi Abedin, a garment worker who survived the Tazreen fire, whose testimony was more gripping than anything Tom Cruise had to say. Janet Sparks, a Walmart employee from Louisiana, came to the Bentonville love-fest to raise questions about CEO Michael T. Duke's compensation. Walmart employees "are stretching our paychecks to pay our bills and support our families," said Sparks, a member of OUR Wal-Mart, an employee group. Pointing to Duke's \$20.7 million in 2012 pay, she said "with all due respect, I don't think that's right." Sparks' remarks triggered cheers and applause from the crowd, which was remarkable given the fact that the audience was comprised of shareholders and hand-picked loyal employees.

Walmart invites big-name celebrities not only to entertain the shareholders but also to lend legitimacy to the company, which for years has been the target of substantial criticism from human rights groups, environmentalists, women's and immigrant rights activists, unions, small business organizations, and many others. By appearing at these annual events, the celebrities appear to be endorsing Walmart's business practices.

In recent years, the following celebrities have participated in these Walmart celebrations: Tom Cruise, Justin Timberlake, Will Smith, Ben Stiller, Jamie Foxx, Hugh Jackman, Kelly Clarkson, Black Eyed Peas, Taylor Swift, Miley Cyrus, Lionel Richie, Juanes, Alicia Keys, Mariah Carey, Enrique Iglesias, Celine Dion, Mary J Blige, Josh Groban, Jennifer Hudson, Queen Latifah, Joss Stone, Tammy Wynette, Reba McEntire, Wynonna Judd, Joe Montana, Faith Hill, Richard Simmons, Kenny Chesney, Kathie Lee Gifford, Jewel, Amy Grant, Garth Brooks, Jimmy Buffet, The Eagles, Jennifer Lopez, Journey, Carrie Underwood, Keith Urban, Elton John, Aerosmith, Tim McGraw, REO Speedwagon, Barenaked Ladies, Bob Seger, Cheap Trick, Patti LaBelle, Susan Lucci, Halle Berry, Cindy Crawford, and Paula Abdul.

It is understandable why singers and movie stars accept Walmart's invitation. After all, it is the nation's and the world's largest retailer, with total sales last year of \$444 billion. It sells 40 percent of all DVDs and more CDs than any other chain.

But many celebrities don't want to see themselves as cogs in Walmart's propaganda machine. In fact, Walmart's celebrity cultivation is part of a costly counter-offensive to divert public attention away from its outrageous behavior at home and abroad. As part of its recent attempt at an image make-over, Walmart has increased its philanthropic giving, particularly in African American and Latino communities, in order to win their support to expand its stores into urban areas which, until recently, Walmart had avoided. Walmart's charitable donations are tiny crumbs compared to its profits and its (and the Walton family's) political donations to right-wing causes. But if you only looked at the company's TV ads or its latest annual report, you'd think CEO Michael Duke should be nominated for a humanitarian of the year award.

Walmart has to spend so much on self-serving propaganda because many Americans are asking whether the company's business model is good for our country and the world. Surely not all of these celebrities endorse the Walmart way. If they were informed about Walmart's controversial and inhumane practices in the United States and around the world, some of them would certainly distance themselves from the retail giant. So, too, would other celebrities who Walmart will invite to future jamborees.

There are, no doubt, celebrities with the conviction and courage not only to refuse Walmart's invitation to the annual meeting, but also to join forces with organizations likeOUR Wal-Mart that have been pushing Walmart to behave more responsibly toward its workers, the communities where it makes and sells its goods, and the global environment.

Walmart is the largest private employer in the U.S. (1.3 million employees) and the world (2.2 million employees, not even counting those who produce the goods sold in its stores). As a result, as historian Nelson Lichtenstein documents in his book,*The Retail Revolution: How Walmart Created a Brave New World of Business*, the company sets the standard for jobs -- a standard so low, that hundreds of thousands of Walmart workers live in poverty -- including many who work full time. Walmart also drives down living and working standards around the world, including in countries like Bangladesh, where Walmart goods have been produced in factories that recently burned and collapsed, killing over a thousand people, mostly woman.

Walmart exacerbates the widening gap between the very rich and everyone else. The average full time Walmart "associate" makes about \$15,500 a year. And worse, Walmart is pushing more and more workers toward a permanent part-time status. Meanwhile, the six members of the Walton family -- heirs to the Walmart fortune and near majority owners of the company -- have a combined wealth of \$115 billion. That's more than the bottom 42 percent of Americans combined.

Walmart doesn't only impact workers. The company's "grow at any cost" mentality creates negative impacts on the environment, food production and small businesses.

Walmart's growth-at-all costs model contributed to the company building a disturbing track record when it comes to workers' rights, workplace safety, legal compliance, environmental destruction and more. Here are some things that celebrities might want to know about Walmart before they say "yes" to an invitation to its next Bentonville bonfire.

Keeping America In Poverty -- And Trying to Silence Workers Who Speak Out for Change

- Walmart workers have been forced to strike repeatedly in response to the company's efforts to silence Associates who speak out for better jobs. American Rights at Work recently released a new white paper detailing the company's campaign of intimidation.
- Meanwhile Walmart is notorious for poor quality jobs. An employee who works Walmart's definition of full-time (34 hours per week) makes just \$15,500/year. That means hundreds of thousands of people who work full-time at Walmart still live below the poverty line.

• Even as Walmart associates have called for more hours and predictable schedules, the company has been hiring increasing numbers of temp workers.

Workers Suffering and Dying in Walmart's Supply Chain

- Soon after the deaths of more than 1,100 workers in a factory collapse, Walmart faced criticism for refusing to sign on to the Bangladesh Fire and Building Safety Agreement, an agreement to improve workplace safety and inspections at Bangladeshi apparel factories.
- Following a factory fire last fall, The *New York Times* reported that Walmart officials had played a key role in blocking efforts to upgrade fire and electrical safety in the nation.
- Last April, workers at Thai shrimp farms supplying Walmart went on strike, protesting low wages, inadequate toilet access, and substandard housing. Human Rights Watch reported that working conditions were akin to debt bondage.

Walmart Costs Taxpayers Big

• A study released in May, 2013 by the Democratic staff of the U.S. House Committee on Education and the Workforce found that, "When low wages leave Walmart workers unable to afford the necessities of life, taxpayers pick up the tab." The report examined data received from the State of Wisconsin and found that a single Walmart store could cost taxpayers between900,000 and 1.7 million/year in subsidies.

Walmart's Path of Environmental Destruction

- Despite its ballyhooed sustainability work, Walmart's greenhouse gas emissions are growing, not shrinking. In addition, the company's low-cost, low-quality products likely lead to more waste as they have to be replaced more frequently.
- In May, Walmart pleaded guilty to violating the Clean Water Act. The company will pay an \$82 million fine. Ignacia S. Moreno, Assistant Attorney General for the Justice Department's Environment and Natural Resources Division, said: "By improperly handling hazardous waste, pesticides, and other materials in violation of federal laws, Walmart put the public and the environment at risk and gained an unfair economic advantage over other companies."
- Walmart finances politicians who fight action to address the climate crisis, including funding the campaigns of some of the most powerful climate change deniers in Congress.

Alleged Bribery and Corruption Abroad

• Last year, the *New York Times* uncovered a massive alleged bribery schemeinvolving Walmart officials in Mexico. The Times alleged that Walmart paid more than24 million in bribes to clear the way for the company's rapid expansion in the company. The story, and subsequent reporting, also revealed that top Walmart officials in the U.S. knew about the apparent bribery, but quickly ended an internal investigation. The allegations were not made public until revealed in the media.

Funding a Political Agenda that Hurts Our Communities

- Anti-Gun Control. Walmart is the nation's largest seller of military-style assault weapons and ammunition. In addition, Walmart and the Walton Family Foundation were longtime members of the controversial American Legislative Exchange Council (ALEC). ALEC is infamous for promoting legislation that advances a conservative ideological agenda and benefits its members at the expense of everyone else, including voter ID laws that are intended to keep the poor, minorities, and young people from voting. ALEC helped propagate the notorious "Stand Your Ground" law linked to the killing of Trayvon Martin in Florida in February 2012. The law, which initially shielded Martin's shooter from arrest in weeks following the killing, came out of an ALEC working committee co-chaired by a Walmart executive in 2005. In May 2012, amid intense public pressure, Walmart withdrew from ALEC. However, there is no evidence that the Walton Family Foundation has withdrawn from ALEC, despite the fact that civil rights leaders and others have called on them to do so.
- *Anti-Immigrant:* The Walmart PAC's political contributions disproportionately favor anti-immigrant politicians. Until recently, both Walmart and the Walton family were members of the American Legislative Exchange Council (ALEC), an organization with a history of promoting anti-immigrant model legislation. Arizona's infamous SB 1070 was written at an ALEC conference in 2009.
- *Anti-Woman:* Many of Walmart's women employees have complained about second-class treatment on the job. Liza Featherstone's *Selling Women Short: The Landmark Battle for Workers' Rights at Walmart* documented the gender bias a decade ago, but the problem persists. Last year about 2,000 women claimed in a class action suit that the company giant discriminated against them when it came to pay and promotions. Walmart and the Walton family have disproportionately given donations to anti-woman politicians. Among candidates with scores on the American Association of University Women's 2012 Congressional scorecard, the majority of the Wal-Mart PAC and Waltons' contributions went to those with scores of 25 and below out of 100. In fact, over that time period they gave over \$1.5 million just to candidates with scores of 0. The scorecard factors in a range of issues including the reauthorization of the Violence against Women Act, the Paycheck Fairness Act, Planned Parenthood funding, and education.
- *Anti-LGBT:* The majority of the Walmart PAC's contributions went tocandidates with scores of 25 or less (out of 100) on the Human Rights Campaign scorecard. In fact, the PAC gave over \$1.5 million between 2005 and 2012 to candidates with scores of 0 alone. The Walton family did even worse, with only 6% of contributions going to members of Congress who support marriage equality.
- *Anti-Civil Rights:* The Leadership Conference on Civil and Human Rights evaluated the 112th Congress based on votes including misguided attempts to protect voter ID laws, attacks on worker rights, the Ryan budget, and extending Bush-era tax cuts. A comparison of this scorecard with the Walmart PAC and Waltons' contributions from 2005 to 2012 shows that, among candidates with scores, the Walmart PAC and Waltons favored candidates who failed to protect civil rights. In fact, 85% of the Waltons' contributions went to candidates with scores of 25 below, out of 100.

• *Anti-Public Schools* For years the Walton family has been on an ideological and political crusade to privatize public education. Since 2005, the Waltons have given more than \$1 billion to organizations and candidates who support privatization. They've channeled the funds to the pro-charter and pro-voucher Milton Friedman Foundation for Education Choice, Michelle Rhee's pro-privatization and high-stakes testing organization Students First, and the pro-voucher Alliance for School Choice, where Walton family member Carrie Walton Penner sits on the board. In addition to funding these corporate-style education reform organizations, since 2000 the Waltons have also spent more than \$24 million bankrolling politicians, political action committees, and ballot issues in California and elsewhere at the state and local level which undermine public education and literally shortchange students.

No doubt celebrities' agents will urge them to avoid any controversy and withhold any public or financial support to groups that criticize Walmart. But any celebrity who accepts Walmart's invitation to entertain at its annual events *is* taking sides in an ongoing controversy over company's many questionable practices.

Hugh Jackman, Queen Latifia, Taylor Swift, Will Smith, Elton John, and other celebrities: Listen to the song "Which Side Are You On?" Then answer the question.

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