

# Newsday

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## Keep Wal-Mart out of the neighborhood



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**Y**ou've heard that a rich guy named Jones wants to move into your modest middle-class neighborhood.

He plans to build a house that's at least four times as big as any of the other houses, and he has a reputation for being mean to the female members of his household, for paying low wages to his help, forcing them to work overtime without pay, and even locking them in the house when he goes out.

He's also known to be ruthless in his business, firing employees who try to unionize, and being so stingy with wages and benefits that a lot of his employees depend on food stamps and public health benefits to get by. You don't want this guy in your neighborhood, even if he has promised to turn a vacant lot into a much-needed playground with his own money. He's a bad guy and he'd be a bad neighbor.

Wal-Mart, which wants to open its first New York City store in Rego Park, would also be a bad neighbor. The largest retailer in the world and a popular shopping destination because of its low prices, Wal-Mart is the modern equivalent of the 19th-century coal mine. Cities want the stores because they bring jobs and people, but their low wages, poor working conditions, their dearth of benefits, and their ruthless dealings with other businesses suck as much life out of neighborhoods as they bring to them.

But, in a free country, how do you keep Wal-Mart out or can you force it to do better as a condition of moving in? A City Council committee was mulling over this question last week during hearings about Wal-Mart's labor practices. The city's land-use process focuses on issues like how new development will affect traffic and the quality of life and other businesses in the area. But can it also deal with labor issues — like the fact that, because of Wal-Mart's low wages, many of its employees wind up costing the state and city millions of dollars in health services and food stamps?

Wal-Mart has lawsuits pending against it in 38 states over allegations of cheating employees out of overtime pay. It has locked employees in its stores overnight to reduce theft. And it's the defendant in a class-action suit alleging sex discrimination against more than a million past and present female employees.

"The folks in Ozone Park loved having John Gotti in the neighborhood because he gave out all these goodies," said Richard Lipsky of the Neighborhood Retail Alliance, which represents a lot of small grocery stores and bodegas that would be threatened by Wal-

Mart. "Because he paid for fireworks on the Fourth of July, they were willing to overlook all the other bad things about him. That's the analogy to Wal-Mart. . . . These are bad guys."

The City Council is considering a bill that would require big-box stores and others to provide affordable health insurance to their employees as a condition of operating in the city. But regulations governing benefits and wages could run afoul of federal labor laws.

Another possibility is letting Rego Park residents vote on whether they want a Wal-Mart. A referendum, I'm told, would require putting an item on a citywide ballot.

The city could also require Wal-Mart to pay for an impact study taking a hard look at all the ways Wal-Mart would affect the neighborhood — including the impact on workers of low wages and benefits, whether they would drive wages at competing retail stores to the bot-

tom, how many local stores would be driven out of business, and the cost to the state and city of providing public benefits to Wal-Mart employees. Los Angeles has made such a study a requirement of big-box store applications.

People shop at Wal-Mart's because the prices are cheap, but there's a cost to that. And it's possible to have lower prices and better human values. New York should use all the means at its disposal to keep Wal-Mart out. The City Council voted down a BJ's megastore in the Bronx last week, technically because of land-use issues, but more out of concern that it would drive a host of local groceries out of business.

This isn't about giving New Yorkers the chance to buy cheap underwear. It's about who we want in the neighborhood.

**'It's possible to have lower prices and better human values.'**



PHOTO BY DANIEL AVELA

A protester at the proposed site of a future Wal-Mart in Rego Park

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