What effect does Wal-Mart, the world’s largest retailer, have on local retail employment and earnings in the United States? In this lecture, Professor David Neumark will show that a Wal-Mart store opening reduces county-level retail employment by about 150 workers. This implies that each Wal-Mart worker replaces about 1.4 retail workers and, on average, generates a 2.7 per cent reduction in average retail employment. The results also show that a Wal-Mart store leads to a decline in county-level retail earnings of about $1.2 million, or a 1.3 per cent average reduction at the county-level. Given that there is rising retail employment in the US, the presence of Wal-Mart does not necessarily imply higher unemployment, but does imply there is likely to be lower retail employment growth at a county level in the presence of Wal-Mart stores.