if a corporation already employs 10,000 persons, and needs one more workman to fill a specific job, that corporation has no more power of coercion over an applicant than has a small business in the process of trying to hire its first employee.

The Risks of Ownership

APPROXIMATELY 480,000 stockholders have voluntarily pooled their savings to provide the tools and facilities which are operated under the management of America's largest manufacturing corporation. Each stockholder is free to sell his interest in that corporation to anyone else who is willing to buy it. At what price? At a price agreeable to both. The corporation management cannot force any stockholder to sell his interest. Nor have individual stockholders or any combination of stockholders a right to force anyone else to buy their shares at a fixed price. Such transactions are negotiated by competitive bargaining rather than by force. The idea that there is a coercive feature to the "combined power" of corporate stockholders is an overworked myth. They can't even "draft" a manager. They can bargain for the services of a man who will manage their capital for them.

The management hired by the stockholders of America's largest manufacturing corporation offers employment to about 470,000

individuals—nearly as many employees as there are owners of the business.

Now, quite probably every stockholder as well as every employee understands that no one of them has a claim to the entire output of the business. They expect to share the product in some fashion. One of the problems is that no one knows the exact exchange value of this product until that figure has been determined by competitive bargaining in the market place. Meanwhile, someone must assume the risks of ownership of the product.

This corporation has no powers of monopoly pricing—it has competitors, actual and potential. So, the consuming public can't be forced to underwrite the risks of loss. The employee who accepts employment in return for a specific wage takes few risks relative to marketing the product. Each payday the employee gets a certain return for his efforts, which he can readily use as a yardstick against all alternative opportunities for employment. The hired manager, of course, risks his reputation upon his capacity to manage a business successfully. But the real risks of financial loss have to be borne by the owners of the business. As an incentive to bear such risks, stockholders expect to share any profits the company might earn.

The risks of ownership, whether it be ownership of goods or of one's own services, are borne by the owner; that is the concept