Many persons seem to agree that the market method of price and wage determination is fine in theory. But they then reject the theory as being impractical, because they say we do not have conditions of "perfect" competition. It seems to be their belief that competition isn't effective unless every person in the world is actively competing with every other person relative to the possession of every piece of property or to the performance of every creative task in the world. But to suggest that all of us ought to be competing as opera singers, regardless of our abilities or desires, is to take the whole concept of competition out of its frame of reference to a free market. Competition is as "perfect" as it needs to be whenever those who want to compete are free to try it.

Stockholders Are Organized

THERE IS no room for a bully in a free market. The market can be destroyed by a person who will not respect life and property. But the test of a bully is not necessarily a matter of his size. The fact that a number of competitors have pooled their resources under a single management does not necessarily make a bully out of the manager. He can still bargain in the market place if he is willing to abide by the rules for bargaining, that is, refrain from the use of coercion. However, the pooling of resources by competitors has a

tendency to worry other participants in the market. For instance, many employees sincerely believe that when stockholders pool their savings to form a huge corporation, then the employees must organize to defend themselves—that a lone workman could not possibly bargain with a giant corporation such as General Motors or the A. & P.

By this reasoning, the housewives of America ought to be organized to defend themselves when they go shopping in super-markets. What chance has a lone, frail woman to bargain with the power behind a chain of super-markets for her family's supper? But such stores *are* patronized by women who lack organizational backing, yet show no visible signs of fear. If one storekeeper won't bargain to a housewife's satisfaction, she shops elsewhere—an elsewhere provided in competition for her patronage. She might buy some other product. Or, perhaps, she will buy nothing. And neither the stockholders nor the management of any grocery chain have the power to compel her to accept their groceries on their terms. Successful businessmen understand that "the customer is always right." That happens to be the formula for survival in a competitive market.

Nor do the stockholders of a chain store have any coercive power over the hired manager of one of their local stores, beyond such terms as the manager might voluntarily accept as a condition of his employment there.