

receives all ^{surplus} above this as a reward for his ^{managerial ability, his} "earnings" of management. The tendency as exhibited more and more in the case of joint stock companies is ~~to~~ to divide the work of management between salaried directors (who indeed hold a few shares themselves) and salaried managers and other subordinate officials, most of whom have little or no capital of any kind: their earnings being almost the pure earnings of labor are governed in the long run by those general causes which rule the earnings of labor of equal difficulty and disagreeableness in ordinary occupations. Indeed, it ~~seems~~ ^{will} appear, as Marshall has pointed out, that business management must depend to an extent on the supply of capital and therefore inseparable from it and labor also; and also on the organization by which the ~~two~~ ~~are~~ ~~brought~~ ~~together~~ and made supply of the business ~~possibilities~~ power to manage capital and capital itself are brought together and made effective for production. It is hard therefore to tell to just what an extent "business management" is itself responsible for the increased gains realized. The fact moreover that this "ability to manage" is of a kind which will not admit of measurement apart from the results achieved in concrete instances makes it impossible to say just when this "ability" has or has not been fully rewarded. Admitting that the surplus gains described are the result of this managerial ability, this expression of this entrepreneur's function, it not appearing as yet that there