Article | Research in Social Stratification and Mobility | 2004

Sources of Structural Inequality in Managerial Labor Markets

by Rakesh Khurana and Mikolaj Jan Piskorski

Abstract

This article proposes two mechanisms that allow actors to obtain unearned advantages in labor markets. The first mechanism is consistent with collusive closure arguments. However, it questions the assumption that those who seek to benefit from collusive closure will always initiate it. Instead, it suggests that under certain cultural conditions, closure may arise through a series of self-reproducing social constructions that restrict access to a position to those who conform to certain socially defined criteria. The second mechanism is consistent with Sørensen's discussion of the role of composite rents in generating unearned advantages. Whereas Sørensen focused on composite rents between actors and productive assets, the mechanism presented here suggests that actors can obtain unearned advantages even if workers are not specific to productive assets, as long as there are composite rents between these productive assets. Data in support of the models are provided from the executive labor market.

Keywords: Management; Labor; Markets;

Format: Print 19 pages Find at Harvard Read Now

Citation:

Khurana, Rakesh, and Mikolaj Jan Piskorski. "Sources of Structural Inequality in Managerial Labor Markets." *Research in Social Stratification and Mobility* 21 (2004): 169–187.

About the Author

Rakesh Khurana
Marvin Bower Professor of Leadership Development
Organizational Behavior