

# Generation i

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# Internship

- Temporary, **unregulated** and often unpaid, the internship has become the route to professional work

# Instructions

- “Don’t talk to the press. Have a good attitude. Always say yes. You are not here to change the world.” And ladies, please, “Do not put us in a position to remind or suggest what qualifies as proper attire.”
- Instructions given to interns in the office of John Boehner, the Speaker of the United States House of Representatives

## The first step

- The internship is now ubiquitous across America and beyond. This year young Americans will complete perhaps 1m such placements
- Google alone recruited 3,000 interns this summer
- In the West and increasingly in the rest of the world, internship is becoming the first step to a white-collar career

# An edge

- Nowadays, according to America's National Association of Colleges and Employers (NACE), 63% of American students do at least one internship before graduating.
- One reason: in 1970 one in ten Americans over 25 had a bachelor's degree; now a third do.
- Jobseekers need an edge.

## No internship no offer

- “If you don’t have an internship you won’t get an offer,” says Richard, a foreign-exchange trader
- Globalisation has increased competition for plum jobs: more than half of his fellow interns were from overseas
- Nearly all the bank’s employees now start in its intern programme (or that of a rival).

## For recruiters

- For recruiters internships are a way to sift candidates, a harder process as work has become more complex.
- It is now more difficult to judge candidates by their CVs.

## The path to jobs

- The rise in internships has been encouraged by universities which, anxious to justify sharply rising tuition fees, are seeking to get their students on the path to jobs.
- Oxford University's careers service has set up an "internship office", which tries to find students placements for their summer holidays and after they graduate.



# A condition of graduating

- Stanford has a small campus in Washington, DC
- A growing number of colleges make an internship a condition of graduating for at least some courses.

## Some are valuable

- Some internships are valuable ... But some are not.
- “The whole fashion industry would crumble without interns,” says one who spent four unpaid months working for a tyrannical photographer, who demanded that his drinks be served no warmer than 4°C.

# Unpaid internships

- Unpaid internships are becoming the norm.
- According to NACE, they make up nearly half the internships undertaken in America.
- By 1997 only 57% of American journalism students could find a paid internship. By 2010 the figure had fallen to 34%, where it has remained since.
- *The Economist's* London offices, which pays £6,000 for three months.

# Tightened rules

- The number of unpaid internships has grown just as hiring has become riskier, pricier and more complex.
- In recent years anti-discrimination and unfair-dismissal rules have been tightened, and minimum wages raised, in many rich countries.

# An appealing alternative

- The growing cost of benefits such as pensions, health care and maternity leave makes employees more expensive.
- Interns have therefore become an appealing alternative.

- In America unpaid internships in profit-making firms were given the green light by a 1947 Supreme Court judgment
- A checklist devised by the Department of Labour stipulates that in order to be unpaid, an internship must be “similar to training which would be given in an educational environment”, must not displace employees and must not give the employer any immediate advantage from the intern’s labours.

# All work and no pay

- American courts are starting to find that many internships fail these tests
- Some firms are now rethinking their unpaid schemes

# Social mobility

- Change is slow.
- If internships are unpaid, “it’s likely that you’re going to limit the opportunity to young people from well-off families,” says Bernie Sanders, a left-wing senator from Vermont who is one of the very few American congressmen to pay interns.



## Their own stories

- Congressmen like to tell their own stories of overcoming poverty and adversity: Paul Ryan, for instance, worked in a gym ... in order to fund his own start as an intern, before going on to become a congressman and run for vice-president.

# Heartwarming

- It is a heartwarming story—particularly, one imagines, for Mr Ryan's own interns, whom he does not pay a cent.