The rise of intern economy. The informalization of labor and of HRM practices.

Marco Marrone
University of Bologna

Introduction

There is an increasing tendency around the world to hire interns, often without pay and with very little possibility of achieving a real education or a stable job. We might have met them serving our food at a global fast food chain, or we might have ordered a product home which has been packaged by one of them. Interns are a rising figure in every workplace. Despite the increasing number of internships worldwide, which has attracted the attention of journalists and activists, sociologists are still paying inadequate attention to this phenomenon and its causes. The accomplishment of praxis in an educational program, a tool to select human resources, an instrument for active policies or a necessary stage for young people to certify their skills, they are all possible answers to the question: ‘What is an internship?’ In other words, sociological analysis and empirical cases are required not only to focus on the reason behind the explosion of the intern economy, but also to build a critical compass to orient millions of youth in the world of uses and abuses of internships.

This paper aims to fill up the lack of sociological analysis with two analytical exercise. First, I will tread the historical origins of learning on the job, focusing on the reasons which made it possible for apprenticeship to be recognized as a special employment with educational content, while internships do not enjoy the same status. Second, I will attempt to provide an explanation regarding the rise of the intern economy, by making use of the vast literature on informal economy to focus on those dynamics which turn internship into a way of achieving cheap labor force. Moreover, the rise of intern economy seems to be inscribed in a broader process of informalization of work which is not only still growing in developing economies such as those in Africa or Asia, but it is expanding also in the West thanks to the recent social and economic transformations.

However, the use of the ‘informalization of labor’ framework allows us not only to focus on the mechanisms behind the rise of the intern economy and to give back a more dynamical process which questions the role of skills in contemporary capitalist frameworks, but also to look at the consequences that a different recognition of their activities have on interns’ experiences. The overlap of educational aim in a productive environment, in fact, not only seems to push through a lack of social recognition of interns’ activities, but it also works to keep control over labor force obscuring exploitation and motivating interns to work hard even if they remain unpaid and with scarce possibilities of attaining a position. Moreover, it seems that an increasing number of new aspirant workers are being engaged in internships not only for the educational content, but because of transformation in capitalist paradigms which motivate people to invest on their own human capital and to accept the risk behind such investments. In other words, the ambiguity and the lack of recognition allow firms to have a very cheap labor force, in some cases even completely unpaid, and also interestingly a strongly motivated group of young people who believe that internships will help their careers.

In this context, HRM plays a key role in addressing such mechanisms. On one hand, in fact, internships allow a process of informalization which constitute a ‘space of maneuver’ when the usual management is shocked by exogenous factors and when outsourcing is not possible; or a ‘safety net’

1 Author’s corresponding email: marco.marrone3@unibo.it
for small businesses to compete in the formal economy. On the other hand, the high vulnerability to which interns are exposed make them an attractive labor force for an increasing number of firms contributing to the expansion of informal labor in the West.

Methodology

Nine semi-structured interviews with interns from the province of Bologna will be reported in this paper and four case studies will be analyzed with in-depth interviews carried out with four special observers such as trade unionists, internship program supervisor of the University of Bologna, and the Ministry of School, University and Labor of the Italian region of Emilia-Romagna. Moreover, Bologna it is not only the capital of the region Emilia-Romagna, but it is also the place of one of the biggest universities in Italy and for this reason it constitutes an ideal field to conduct my research. Students, in fact, are very much involved in the rise of the intern economy as they are most affected by the rhetoric of “investing on yourself”, which I suppose to be at the core of an intern experience. Nonetheless, internships are also becoming mandatory as a compulsory stage to achieve degrees in almost every course with the idea that it will help them to enter the labor market. The interns interviewed, in fact, come both from the world of university internships, meaning those internship programs activated as part of a university degree, which are unpaid, and orienteering internship for the new graduates which since 2013 have a basic income of 450€ in the region of Emilia-Romagna. Furthermore, the sample focuses on those students (and former students) who have degrees in humanistic fields and social sciences, such as political sciences, social sciences and Italian literature, since they are those who are more recently effected by the use of internship; while one interview comes from the medical sector, and will be used to compare with other results. The interviews have been collected in the period between February and July 2016 and constitutes a sample set from my ongoing research.

What is internship? The historical reasons behind its lack of recognition

‘It’s more like having a foot in the door’. This is how Hr_m_1\(^2\) describes what internship means accordingly to his experience. He is 29 and had his internship in the human resource department of a facility management firm in the province of Bologna, because like his colleagues from his Master’s in human resource management, they all had to pursue an internship experience in order to complete their degree. Like 18.051 other students in Bologna in 2015 (University of Bologna, 2015), every morning he had to go to work, even though unpaid, without ever missing a single day, with the idea of learning ‘something for myself’. For Giovanna, Director of the Communication Science department and responsible for internship programs of her department: ‘they are very useful for my students because with that they have the possibility of putting their hands in the labor market’. For Patrizio Bianchi from the Ministry of School, University and Labor for the Emilia-Romagna region, ‘The value of hands, in its broad sense, and that of permanent education has to be rediscovered in the labor market, and not only for young students. This is where internship might be useful’.

According to my interviews, it seems impossible to have a uniform definition of what an internship is, what are its aims and what is its correct use. This is why the answers to the question ‘What is an internship?’, in fact, varies according to who is interrogated, what kind of experience he or she has had with it and what kind of expectations interns have. Since its explosion in the last years, internships have covered a wide range of uses. The interviews referred to in this paper give us a plethora of meanings: an instrument for young people to enter the labor market, a tool for active policies or

\(^2\) All names of student interviewees have been changed in to a code which refers to sector of activity, gender and order in which they were interviewed. Detail report is in the appendix.
simply a way in which companies choose their own workers, etc. It seems that, as Perlin (2012, p. 23) underlines: ‘the very meaning of internship lies in its ambiguity’.

However, even if the explosion of internships is a recent phenomenon, history of learning on the job can be tracked from the ancient times. Ross Perlin in his Intern Nation (2012) refers to the Hammurabi Code as a first written record which testifies its existence. Nonetheless, to have a major turning point for practical education we need to wait till the Middle Ages. Despite the negative connotation that the Middle Ages bear (as the dark age), in fact, it was actually a period with significant transformations. Urban economies were born, many estates were parceled out, labor relations were clarified along with agrarian contracts which delineated obligations and rights of landlords and tenants (Bloch, Feudal Society, 1989). In other words, Europe was slowly moving out from an economy of subsistence, and in turn building the base of a capitalist society. With the rise of a market economy, artisans and merchants became the protagonists of the new urban settlement, thereby giving a crucial role to skill acquirement. As Marc Bloch writes (1959, p. 190): ‘Homo europaeus, in other words, was quintessential homo faber not only because he was able to create, but also because, at least until the end of the 19th century, he knew how to imitate and to adapt and from the fusion of this he was able to create a civilization based on technique’. In other words, artisans and craftsmen managed to have a prestigious role in the society, thanks to the recognition of specific and crucial knowledge: ‘Consider that the faber, the skilled worker using iron, was considered at that time similar to the goldsmith, because he was the creator of precious and exceptional manufacturing’ (Brezzi, 1970).

The new inhabitants of Middle Age cities soon decided that, in order to avoid unfair competition and to protect their role in the society, they needed to organize and to standardize their market. This is why, guilds and associations of ministers were established. Nonetheless, they were regulating the access to the craft-related activities in order to act as gatekeepers and keep control over new artisans and craftsmen. It is in this context that apprenticeship got clarified in its function, even in a very fragmented regulative framework, since guilds were autonomously defining duties and rights of apprenticeships and masters. As it is for intern nowadays, apprenticeship mostly was unpaid for years before having the possibility of opening their own workshop, while masters generally had to take care of the food and lodging of the apprentices (Rorabaugh, 1986). Thus, not only do we see apprentices along with craftsmen and artisans as one of those ‘key figure which populate middle age cities’ (D’Amico, 2015, p. 44), but they were also a way to achieve cheap labor which threatened fair competition in cities. Moreover, the spread of apprenticeship determined a proper sociological phenomenon effecting not only a large section of youth of that time, but also the entire society since it was the only way to enter in guilds and practice their work (Frenette, 2015). This is why in UK the Statute of apprenticeship was promulgated: on one hand as a way to organize apprenticeship in order to avoid unfair competition between master’s, on the other hand as a way to maintain ‘social order and hierarchy’ (Snell, 1996, p. 304) reserving some apprenticeship to individual with property or master’s relatives.

A second turning point for learning on the job history coincides with the rise of what Polanyi calls ‘the great transformation’ (Polanyi K., 2001). For craftsmen and artisans, the industrialization process coincided with a decline of their prestigious role, since their work became replaced by the new efficient machines. This transformation had a massive impact on the labor force required by the new production regime. Machines not only made skilled worker not anymore necessary, if not an obstacle to the possibility of cutting labor costs, but also involved women and children in the new factories since not so much strength was required anymore. In sum, youth worker did not need to be trained anymore and skilled workers were condemned to have a marginal position in the society.

---

3 My translation from Italian

4 The reference comes from D’Amico, Storia della formazione professionale in Italia. Dall'uomo al lavoro al lavoro per l'uomo, 2015, p. 44. My translation from Italian.
This is why we need to wait till the 20th century to have a proper formalization of apprenticeship; meaning a precise and autonomous identity which was accorded to apprenticeship only recently. The first attempt in this direction was the Fitzgerald Act (or National Apprenticeship Act) in 1937 in US, appreciated by Perlin (2012, p. 54) because ‘it finally stabilized and revived apprenticeship in United States’. In Italy the same clarification came with the Vigorelli law in 1955 which can be summed up in the following words: ‘apprenticeship is a special working relationship under which the employee is obliged to give, in his enterprise, to the apprentice hired for it, the teaching necessary because the apprentice can achieve the technical capacity to become a skilled worker.’ (D’Amico, 2015, p. 602).

History of internship should not be confused with that of apprenticeship. While the latter has a much rooted historical origin and it is associated with those manual jobs regulated by guilds, internship is very much a product of the ‘great transformation’ and the impact it had on the rise of professionalism (Sarfatti Larson, 1979). Till that time, in fact, lawyers, doctors and even architects lived in the shadow of the very powerful State and Church élites, being associated with universities more than with guilds because of their relation with Latin and liberal arts.

Sociological studies which focus on the rise of profession follow the history of medical association, since it has been one of the most difficult profession to achieve a proper market and a full emancipation from élites (Sarfatti Larson, 1979; Friedson, 1988). This was accomplished through the creation of national medical associations between the end of the 19th century and the first half of the 20th (Friedson, 1988). In Italy, the first professional association was the one of notaries born in 1919, but similar to what happened with guilds, they were originally organized locally, while they were later implemented at the national level during the fascist period (Tacchi, 2014). However, the crucial point is that the creation of medical association was based on a process of monopolization and standardization of medical knowledge (Sarfatti Larson, 1979). Moreover, to get access to the medical association in Europe, a period of informal training or internship was created in order to accomplish what Sarfatti Larson (Sarfatti Larson, 1979, p. 14) defines: ‘production of producers’. As she still observes (Sarfatti Larson, 1979, p. 14): ‘Because of the unique nature of the products to be marketed, and because their use value to the large public was as uncertain as it was new, control had to be established first at the point of production: the providers of services had to be controlled in order to standardize and thus identify the commodity they provide’.

In sum, since its birth, the meaning of internship was not simply that of educating and recruiting new doctors. On one hand, internship worked as a way to standardize the process of acquiring medical knowledge. On the other hand, it allowed access to medical profession through a system of crediting. The aspirant doctors had to show not only that they have effectively acquired medical knowledge, but also that they had the dedication to undergo years of rigorous training. Paraphrasing Durkheim (1950), they had to acquire those necessary credits which constitute the non-contractual base of the contract.

Even if both are associated with learning on the job, the different historical roots of apprenticeships and internships have also determined the different social and legal recognize. Unlike apprenticeship, internship never reached the status of employment relationship, neither a clear definition of its purposes, especially when taken out of the context of the medical profession. As Md_f_1 says: ‘When you finish university you are not a doctor, you are simply graduated in medicine. This is why you need internship’, while other interns seem not be able to define clearly what was the purpose of their internship. Facing its origins, what is new is the use of internships outside its original location of the training of medical practitioners. With the liberalization of its meaning, the purpose of internship has also become increasingly difficult to define. In this sense, internship seems to be both informal labor, meaning that it is does not have the recognition as formal work, and a-formal, which means that it does not have a clear regulation.
The informal way to work: internships and informal economy

The fact that internship is not officially recognized as work does not imply that it really is not. The definition of what constitutes work depends on the specific geographical and historical context. However, in the West, recognition of work did not only mean rights in the workplace, but also access to a new set of rules of citizenship which consider work as social property (Castel, 1995). Before industrialization, in fact, access to citizenship was reserved only to those who had property of lands and means of production, but, after a long process, workers became the core of what Castel calls ‘société salariale’ (Castel, 1995). In this perspective, we should consider formal economy not merely a set of economic activities under State supervision, but a specific working regime which became hegemonic in the 20th century based on social and legal recognition of work. Recognition in this context is described by Honneth as a ‘sociocultural device which, in a fixed historical period define the standards of social esteem that determined occupations enjoys’ (Honneth, 2010, p. 57). This definition of recognition, which engage a very dense discussion with Nancy Fraser (Fraser & Honneth, 2003) on its consequences also on social redistribution, is parallel to Borghi and Routh’s (2016) description of expansion of informality as ‘social concern- which- is not limited to the economy but it is a larger phenomenon of society, which of course, includes the economy’ (Routh & Borghi, 2016, p. 16).

In this perspective, internship is still perceived as part of a non-working activity and, for this reason, not only does it not enjoy guarantees, but also lack of recognition by crucial actors such as trade unions. As underlined by Simonetta Ponzi, who follows labor market policies for CGIL Emilia-Romagna, ‘internships are an educational tool and for this reason ‘they cannot be trade unionized even if we know that most of them are actually masked work’. For Gaia, another trade unionist, ‘internships are not part of the activity of our trade union’, and this is why they did not pursue a proper initiative of interns’ unionization even after some of them conducted a strike in a restaurant which is a part of a worldwide famous food chain in Bologna. ‘We realized that we had to focus to proper workers since crises was hitting our back’, continued Gaia, ‘even if we often see interns doing the same activity that their contractualized colleagues do, being paid less than half and without any guarantee’. In the same restaurant, where Gaia was representing the trade union, the abuse of interns ‘began after our activity in the company regularized precarious employment, overtime payment, health insurance and other worker rights guaranteed by the national contract between trade unions and employers’ association which the owner was not respecting’. Thus, for the employer it was not anymore possible to use one of the many precarious contract available in the Italian labor market to reduce labor cost, since all of them became more expensive after the trade union’s intervention. This is why, to drastically reduce labor costs, the company had to move outside what is officially recognized as labor, using internship to avoid the effects trade union activity.

What happened in the above mentioned food chain might be termed as a process of informalization of labor through the use of internship. After Gaia tried to stop the misuse of contracts and the respect of the rights guaranteed by collective bargains, the reaction of the restaurant was to get out of what is recognized as work in order to continue producing with low labor costs. In this perspective, what Gaia had to face is not a solitary case, but might be intended as part of a wider process well represented by Breman and van der Linden (2014). The main point of the two authors, in fact, is that informal work is not only not disappearing in developing countries as some scholars have predicted, but is actually expanding also in the West.

One of the first times the term informal economy has been used is in Hart (1973), a British anthropologist in order to describe the economic life he observed in Ghana. The term is mainly used by social scientists in analysis related to non-western labor regimes. However, what informal

---

5 My translation from Italian
6 The reference here is to Lewis (1959), who theorized that with unstoppable capitalist development, at a certain point, named Lewis’ turning point, western employment relationship will be exported in a global level.
economy means has never been clear. For Hart, as he said years later, the term informal economy was used more as a residual category, to describe (Hart, 1990, p. 158): ‘the gap between my experience there and anything my English education had taught me before’. Nonetheless, after Hart many authors have attempted a definition of informal economy, especially in the context of globalization which increases economic interdependence. Those massive transformations required a definition able to comprise not only work-related activities outside the West, but also new economic relationships happening in the newly industrialized countries like India, Russia and China as much as informal labor in the West.

As underlined by Borghi and Routh (2016), relationship between formal and informal economy is still largely underexplored. The idea of informal economy as a separate economic sphere does not adhere anymore in an increasingly connected and interdependent global economy. Chen (2007) provides a new definition of informality by making use of global value chain theories, which focus on the tendency of capitalism of producing in places where they have most economic advantages (Piore & Sabel, 1984; Gereffi & Korzeniwickz, 1994). Focusing on informal labor more than on informal economy she suggests a definition: ‘any employment without labor or social protection, both inside and outside informal enterprises, including both self-employment in small unregistered enterprises and wage employment in unprotected jobs’ (Chen, 2007, p. 3). In this perspective, informal economy is becoming increasingly integrated with formal economy as a rising number of multinational corporations make use of informal enterprises and informal labor (Chen, 2007, p. 3).

Empirical research led by economists (Marjit & Kar, 2009) and sociologists (Mezzadri, 2012), in fact, have underlined how informal economy is being used by firms as a space of maneuver to enhance capital mobility. As Chen finally underlines (2007, p. 11): ‘Many formal firms prefer informal employment relationships, in the interest of flexible specialized production, global competition, or (simply) reduced labour costs. The related point is that formal firms choose these types of informal employment relationships as a means to avoiding their formal obligations as employers. In such cases, it is the formal firm not the informal worker that decides to operate informally and enjoys the ‘benefits’ of informality’.

This point is very useful to understand what happened in Gaia’s food chain, where the use of internship seems to be exactly a way of avoiding employer’s obligation. Sassen (1998, p. 121) has also written on this issue: ‘productive facilities that cannot be shifted offshore and have to be performed where the demand is, for example, restaurants and hospitals, can use immigrant labor while facilities that can be shifted abroad can use low-wage labor in less developed countries’. Even if Sassen focuses on the role of immigrant women, we can extrapolate her argument to discuss the event at the fast food chain where Gaia’s employer activated a process of informalization through use of interns since the activity could not have been outsourced.

Me_m_1’s internship experience in a small independent film making production house resembles the situation described by Gaia, just that the informalization process was activated in order to satisfy a higher demand. Actually, this turned out to be beneficial for Me_m_1, because the increase of demands led him to a proper job position after his internship. However, the path of acquiring this job was not easy, since he had to survive for more than six months for about 70€ per month. More than that, the difficulty of his experience was related to the exploitation of the work force. As he explained, ‘we were almost forced to work 10 hours per day’. Despite all this, Me_m_1 feels ‘lucky’ as he said, ‘because I was at the right place at the right time. Our last documentary is a success, much more than the company ever had. This is why in the end they have hired me’. However, this turning point had an impact not only in his life, but also in the human resource management which began to make use of internships to fill up the extra demand of labor force. In Me_m_1’s film making production house, interns are used ‘for activities without any educational content’ such as packaging DVD, contacting cinemas and festivals to enhance distribution, writing emails to organize public presentations, and, more in general, ‘to do all that work that we could not afford with our limited resources’. Apparently, hiring Me_m_1 was not enough and, even if activities with educational content were not available, getting an internship was the easiest and the cheapest way to meet a
temporary increase of demands. Moreover, as Me_m_1 says ‘they- the owners of the film production house - are always complaining that they have no money to pay people for all kind of activities they require. I’ve told them that in my opinion we should do less if we can’t pay the people... but you know... what we do with interns is not visible outside’.

Un_m_1 and Un_f_1’s internship experience was quite different. They read an announcement on the University of Bologna’s website, which stated ‘opportunity for an internship experience in the field of research’. Since they both wanted to do research in the future, they decided to take this opportunity. The internship opportunity they found was run by the university and it consisted in filling up questionnaires, contacting local immigrant associations and looking for people with the right profile. Even though their internship program specified 150 hours of work to get valid credits for their degree, they actually had to follow the program for more than 6 months since their aim was to fill up at least 31 questionnaires. Their work was fully organized by the research group of the university: the number of questionnaire, the list of association they had to contact, what they had to do to fill up the questionnaire correctly, and they even had a brief meeting to learn basic skills of social research. Their job, in fact, was not easy at all, since researchers are usually trained during their PhD years and they were still completing their master’s degree. Thus, when I asked them why they were doing this job and not someone more qualified, Un_m_1 answer was ‘Probably they had not enough funds to hire someone doing his job, this is why they have used intern’. Since no funds were available, university interns probably seemed to be the best way to obtain a labor force without spending any money.7

Scarcity of monetary resources are, in fact, another common reason behind the spread of informal work (Borghi & Kieselbach, 2002; Loayza & Rigolini, 2011). The perspective of survival of the firm is also being used by economists from a liberalist point of view, indicating the process of informalization is necessary for of small firms which, because of taxation, won’t survive in formal economy (Williams & Nadin, 2010). In other words, as for individuals who join informal economy while looking for a safety net (Borghi & Kieselbach, 2002), informalization might be a strategy of small business to survive by ‘operating informally’ (Sassen, 1998, p. 89). This seem to be the case of the company which hosted Ed_f_1 as an intern. As Un_m_1 and Un_f_1, she is still a student and has chosen to get an internship since her degree gave her the possibility to choose between an internship or an extra university course. She decided to have an internship experience in an editorial house ‘because this might be the job I want to do after my degree... you know... Since I have graduated in Italian literature and not so many job positions are available to people from such an educational background... Having an internship, I think, is also an opportunity to explore the job market and might help me to choose which master’s degree I will attend after summer’. Ed_f_1, in fact, is still finishing her bachelor’s degree and she is strongly motivated to continue studies in the university. She loves literature but she is worried by the scarcity of job possibilities and this is what motivated her to look for a university internship.

Nonetheless, her internship experience like that of Un_m_1 and Un_f_1 exceeded the 150 hours requested for university credit. She explained that her employer ‘had been clear since the beginning. He said that we can’t learn anything in 150 hours; at least 250 are required. I actually liked that, it seemed like a serious internship … He was right about this even if the last 50 hours I had to spend training the new intern’. The publishing house was using primarily interns to do all the work. Ed_f_1 further explained, ‘We were five of us working there, four were interns and one guy, who was our editor in chief, with a precarious contract’. The informalization process here is quite different from the previous cases as without systematic use of internship most probably the company would not survive in the formal economy. In the words of Ed_f_1, ‘I think he was doing this because otherwise he had no possibility to survive. It is not his fault; it is our economic system which forces you to do this.’

7 As mentioned above, university internships in Italy are generally unpaid.
In sum, the lack of recognition makes interns a vulnerable and precarious figure, since they are not protected by labor laws. This makes internship a very attractive option for employers to avoid their obligations. The perspective of informalization seems to be useful because it is able to include both these aspects and, overall, it allows us to focus on the reason behind the activation of these mechanisms. More precisely, the informalization process seems to be activated when companies look for a ‘space of maneuver’ to react to external pressures such as trade union activities or an increase of demand from the market, or as a strategy to survive when no resources are available. Furthermore, the rise of the intern economy might be perceived as part of the expansion of informal labor in the West. This testifies, as Perlin (2012, p. 36) underlines, that ‘the rise of intern economy could not have occurred in isolation’, but its reasons have to be searched among large scale transformations in global economy. In this section we have discussed how these transformations have an impact in the HR recruiting practices. The following one instead will focus on why young people increasingly look for internship experiences and agree to take up internship positions which are often exploitative.

Happy to be exploited: exploring interns’ motivation

If the internship experiences often have very little educational content and are used to avoid employers’ responsibilities to get cheap labor, what are the reasons which motivate more than 325,000 in 2014 in Italy and almost 20,000 in Emilia-Romagna to get an internship (Excelsior-Unioncamere, 2015)? Such extensive use of interns, in fact, would not be possible without large number of young people willing to accept often unfair working conditions. As underlined by Chiapello and Boltanski (Boltanski & Chiapello, 1999), it seems unrealistic to assume that involvement of individuals in capitalism comes only from material necessity. There seems to be a pervasive mechanism which motivates people to accept any kind of working condition for someone else’s benefit. Furthermore, capitalism has showed an amazing ability to make use of criticisms towards it to transform itself and find new ways of exploitation. This is why they use the notion of spirit to indicate the ability of capitalism of creating regime of justification which involve individuals, presenting itself as always the best way to achieve common good. Similarly, Burawoy (Burawoy, 1979) interrogated the reasons which motivate workers to put maximum effort in the workplace. After working in an American factory for almost two years, he described how power inside factories is able to obscure exploitation making use of games and narratives. These perspectives constitute a precious starting point to formulate a hypothesis that can provide an answer to my initial questions. We have seen in the first section that the rise of industrial capitalism coincided with a process of ‘denigration of work’ (Braverman, 1979). The negation of worker’s knowledge, in fact, was not simply a way of reducing labor cost, but it was also necessary to legitimize hierarchical division of labor inside factories. Nonetheless, workers have time and again reacted to this process and these reactions have also led to social security in the form of access to public education, health insurance, public pensions, etc. (Crouch, 1999). Under such pressures—and this is the crucial point of Boltanski and Chiapello (Boltanski & Chiapello, 1999)—capitalism has been forced to re-encode its disciplinary system, deconstructing the pyramidal hierarchy to create a network of autonomous and self-responsible nodes which interiorize the company’s/firm’s mission. The role of workers is not anymore that of ‘machine surveilling’ (Ure, 1835), but they are required to bring a greater sense of subjectivity in the workplace (Gorz, 2003). Developing skills, interiorizing mission, being passionate about work, are, in fact, some of the most common phrases in HRM practices. The rise of HRM, in fact, might be perceived as a consequence of these processes. The rise of network capitalism not only recognizes the importance of worker’s knowledge, but it actually uses it as the base of a new way of organizing labor. In this perspective, internship seems to be a compulsory step in order to testify the possession of those skills required by the ‘new spirit of capitalism’, or, as Me_m_1 says, ‘It is the only way of entering the media industry. Since everyone asks for previous
experiences during a job interview, internship is the only way in which you can gain that credit’. Another possible explanation of this process comes from Patrizio Bianchi: ‘We live in a market with an unprecedented complexity... think about your phone, how can you choose the phone you like among the many available if you don’t know what they can do? Simply you can’t if there is no one explaining it to you! Well, internship is like that’. Thus, internship seems to bear testimony of individual personal knowledge which, otherwise, would not be visible by companies, or as Stiegler (1962) would say, to reduce informational asymmetry in the labor market while knowing about workers’ abilities without having to pay for it.

Moreover, the positive effects of having an internship experience on your CV are also underlined by Hr_m_1, one of the interns who I interviewed just after he finished his internship experience. In his words, ‘After my internship I have noticed that some of those job positions I was applying before now at least let me have an interview’. Before joining his master’s degree, in fact, he tried to apply for a job position in human resources ‘but without any experience they do not even call you’, he said. Despite his discontentment regarding the internship he got: ‘I was the last one of my course to get an internship. Maybe this is why it was not such a great experience’, the possibility of being called for some interviews for the job position he likes makes his internship experience fruitful.

‘At the end of the day it’s more like a bet... When you start your internship you don’t know what will happen’, says Me_m_2 who is presently interning in a communication company. The company has a wide range of activities, but Me_m_2’s task is mainly to record and mount videos for some of the most famous Italian newspaper and TV broadcasters. ‘Actually I did not have my internship because I wanted to learn something specifically... Moreover, I’ve spent more than one year in Spain in the cinema industry, sometimes I even know more about video-making than my boss does. The reason why I’ve decided to get an internship is because job opportunities are scarce in the Italian cinema industry, while in professional communication or in newspapers there are more resources and so a higher possibility to find a job. What I am more interested about is getting contacts, make my name well known, having an opportunity to introduce myself to the professionals in a new field». Another possible reason to get involved in an internship is that of ‘making your own network’, In other words, internship is not simply a way of learning, but, in a wider sense: ‘I do see my internship as a way to invest on myself’, says Me_m_2.

This last part of Me_m_2’s response drives us directly to what Becker (Becker, 1984) calls ‘human capital theory’. Human capital for Becker (1984, p. 11) ‘concerns with activities that influence future monetary and psychic income by increasing resources in people’, putting emphasis on training activities to enhance income and individual self-realization. Nonetheless, since its first appearance in the academic debate, the human capital theory faced numerous criticisms. One of the most relevant of those comes from Bowles and Gintis (Bowles & Gintis, 1975), who underlined how dangerous it would be to perceive human capabilities as a proper capital. In the first place, human capital is seen as ‘the most recent, and perhaps ultimate, step in the elimination of class as a central economic concept’ (Bowles & Gintis, 1975, p. 74), which according to the authors is not correct empirically and is misleading regarding public policies. This perspective seems to be confirmed by Se_f_1, a former intern who is now collaborating with vocational training policies with the Italian government: ‘Internships are not for everyone. Fortunately, I’ve had help from my family, otherwise it would not be possible for me to do it. Not everyone can afford working with such a scarce remuneration’. Thus, since internships are unpaid or strongly underpaid, class dynamics are not exempted, but they are actually reproduced, creating another barrier in the labor market. The second criticism of human capital as indicated by Bowles and Gintis (Bowles & Gintis, 1975, p. 76) looks at the rhetoric of investing on human capital as a product of neo-liberalist individualism. Overall, as underlined by Borghi and Rizza (2006), the idea of skills possession transfers responsibilities of success or failure in labor market to the individual. In this perspective, the idea of investing on ourselves and on our future seems to be a ‘regime of justification’ (Boltanski & Thévenot, 1991) which does not only push people to look for an internship experience, but also to tolerate their conditions in the workplace. In other words, the investment on human capital and the neo-liberalist rhetoric on individuals works on
one hand as a ‘moralization process’ (Brown, 2003) which measures individual success on their choices and behaviors. On the other hand, it transfers the responsibility of acquiring skills from HR’s duties to that of the individual (Zimmermann, 2011). As Me_m_2 says: ‘interception also depends by what you can get from that. You should not complain so much and do your best to gain from it’. However, the idea of self-investment has another important consequence which is amplified by the overlapping of educational goals with activities which are productive for the company. Drawing a border between education and work is ‘almost impossible in internships’ (Se_f_1). Here I argue that, theorizing internships requires looking at multiple perspectives. Due to a presupposed preeminence of educational aim, internships also ensue a process of ‘feminization’ of the workforce (Sassen, 1998; Morini, 2010), thereby creating a particularly docile workforce. The relationship between informalization and feminization has been well underlined by Sassen (1998). She affirms that there is a correspondence between a devaluing of jobs (from full-time to part-time from jobs offering upward mobility within firms to dead-end jobs, etc.) and a feminization of employment in these jobs’ (Sassen, 1998, p. 116). Nonetheless, Morini’s perspective, who is influenced by Sassen’s considerations, focuses not only on the role of women in the labor market, but sees women’s labor more as a paradigmatic emblem which characterizes employment relationships nowadays tending towards a ‘docilization’ of the labor force (Morini, 2010).

In other words, we might argue that the rise of the intern economy in this perspective is driven not only by the employer’s efforts to reduce labor costs, but also because there is the availability of a strongly motivated labor force which is convinced to be working for its own good. Se_f_1 commented that ‘The truth is that we – the interns – work even harder than others who have a proper job since we do not have other options’. ‘Since my chief officer switched to working part-time because of childbirth, during my internship I basically had to do the job that she could not do anymore’, said Ec_m_1 describing his internship experience in a car factory. His office (e-commerce), in fact, had not much funds and, after the chief officer switched to part-time, hiring interns seemed to be the best way to give them extra human resources. A similar situation happened to Hr_m_1: ‘I’ve done many different jobs during my experience. I still don’t know if they were using me as a stop gap individual to fill in for various people or if they wanted to show me how the company was working in all fields’. Later in the interview he admitted ‘I knew that there was no real possibility to get a job in the company, since I have not been trained in any specific profile... I mean... It was evident that they were not investing on me.’ It is evident that many interns do not know how to evaluate their experience and often offer contradicting viewpoints regarding how useful it has been. We see this effect emerging prominently in students’ internship narratives. For Un_m_1, in fact, ‘It might be true that I actually have been exploited because of research funding cuts from the government, but I anyway had what I wanted’. The same is for Un_f_1, who ‘had anyway a beautiful experience’, even if her work ‘won’t be referenced at all, I anyway can write on my CV that I have had a research experience’. Ed_f_1 also thinks in the same way: ‘You know, with a degree in Italian literature you basically do not learn any kind of job. Right now at least I have learned how to professionally use Microsoft Word, how to edit properly respecting all those rules we had to respect, and also how an editorial house really works’.

Conclusions and further questions

Internships are ubiquitous in the labor market nowadays, being a crucial fixture in educational programs, HR recruiting activities, and public policies. This is why, the contribution of sociological analysis is required not only to focus on the reason behind internship explosion, but also the consequences that it has on the lives of a large multitude of youth. The relation that the rise of intern economy has with a decline in minimum guarantees both in labor market and in workplaces also requires attention. Moreover, especially in the case of Italy, the contents and aims of internship have not been clear, exposing interns to a high degree of exploitation.
We have seen from empirical cases how the lack of recognition of internships as work leads companies towards an informalization of labor force, affecting the youth who seeks to enter the job market. Furthermore, the perspective of informalization allows us to analyze the dynamics which compel companies to hire interns, thereby blurring the lines between formal and informal economy. As showed in the four case studies, in fact, internships have been used to avoid trade union activities, to face an increase of demand of labor force, to face a scarcity of public funds or to survive (as is the case for small companies). It is in this perspective that we can see the rise of intern economy as part of a wider process of expansion of informal labor conditions in the West.

The explosion of intern economy, in fact, could not have occurred in isolation, but it has to be understood alongside large scale transformations in global economy. Above all, the rise of network capitalism which has put the role of acquisition of knowledge and skills at the forefront, making them crucial for entering the job market. In this context, the interviews reported in this paper look at internships as a compulsory stage to enter the labor market, as this experience is useful to show the possession of skills and knowledge required by contemporary capitalist production.

In this perspective, the unclear relationship between education and work has a significant impact also on the discipline inside workplaces and over the control of interns’ workforce. More precisely, the issue about interns gaining an education alongside a work experience seems to obscure exploitation. It produces a narrative which on one hand feminize work by creating a flexible and docile workforce, and on the other, it instigates a process of moralization of individuals which motivates interns to work even harder than their colleagues since they are actually investing on themselves. In other words, there seems to be a systemic relationship between informalization of labor and feminization of the workforce, which makes interns very attractive for employers not only because they are economically viable, but also because they are very flexible and strongly motivated.

Further research should address the possibility for interns to organize themselves in order to reach a legal, social and economic recognition of their role and activities. The border between formal and informal labor is not fixed and, as observed by Portes and Castells (1989), it depends on social and individual vulnerabilities. Trade unions in the west will have to take the expansion of informal labor in to account if they want to stop a dumping process in labor market. Looking at work outside its traditional meanings and perspectives is increasingly necessary for trade unions to address the changing labor market. Organizing interns might be an opportunity to accomplish a first step towards facing the new challenges of the global economy.

References:


## Appendix:

*Tab 1 - List of interns interviewed*

<table>
<thead>
<tr>
<th>Code</th>
<th>Age</th>
<th>Educational Background</th>
<th>Actual occupation</th>
<th>Number of Internship experiences</th>
<th>Typology of internship</th>
<th>Sector of internship experience</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hr_m_1</td>
<td>29</td>
<td>Master’s degree in human resources management. Previously master’s degree in Political sciences.</td>
<td>Unemployed</td>
<td>1</td>
<td>Student internship</td>
<td>Services</td>
<td>Human Resources</td>
</tr>
<tr>
<td>Me_m_1</td>
<td>28</td>
<td>Master’s degree in International Relations</td>
<td>Employed in same company where he had the internship</td>
<td>2</td>
<td>Orienteering internship</td>
<td>Media industry</td>
<td>Media creation</td>
</tr>
<tr>
<td>Un_m_1</td>
<td>21</td>
<td>Bachelor in Sociology</td>
<td>Student</td>
<td>2</td>
<td>Student internship</td>
<td>University</td>
<td>Research</td>
</tr>
<tr>
<td>Un_f_1</td>
<td>21</td>
<td>Bachelor in Sociology</td>
<td>Student</td>
<td>1</td>
<td>Student internship</td>
<td>University</td>
<td>Research</td>
</tr>
<tr>
<td>Ed_f_1</td>
<td>24</td>
<td>Bachelor in Italian literature</td>
<td>Student</td>
<td>1</td>
<td>Student internship</td>
<td>Editorial Houses</td>
<td>Editor</td>
</tr>
<tr>
<td>Ec_m_1</td>
<td>29</td>
<td>Master’s degree in human resource management</td>
<td>Self-Employed</td>
<td>2</td>
<td>Student internship</td>
<td>Automotive</td>
<td>E-commerce</td>
</tr>
<tr>
<td>Se_f_1</td>
<td>31</td>
<td>Master’s degree in Political sciences</td>
<td>Self-Employed</td>
<td>2</td>
<td>Orienteering internship</td>
<td>Services</td>
<td>Development of training programs</td>
</tr>
<tr>
<td>Me_m_2</td>
<td>25</td>
<td>Bachelor in Italian literature</td>
<td>Internship</td>
<td>1</td>
<td>Orienteering internship</td>
<td>Media industry</td>
<td>Video record and mount</td>
</tr>
<tr>
<td>Md_f_1</td>
<td>29</td>
<td>Master’s degree in medicine</td>
<td>Doctor</td>
<td>1</td>
<td>Medical internship</td>
<td>Medical</td>
<td>General medicine</td>
</tr>
<tr>
<td>Name</td>
<td>Position</td>
<td>Responsibilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------</td>
<td>--------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Giovanna Cosenza</td>
<td>Director of the Communication Science department</td>
<td>Internship supervisor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patrizio Bianchi</td>
<td>Ministry of School, University and Labor for the Emilia-Romagna</td>
<td>Activation policies, labor market policies, vocational education</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gaia Stanzani</td>
<td>Trade Unionist</td>
<td>Testified an internship abuse</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Simonetta Ponzi</td>
<td>Regional Secretary of CGIL Emilia-Romagna</td>
<td>Regional Secretary for CGIL Emilia-Romagna with focus on youth policies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>