

book review

**False Economy?**

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Ross Perlin

*Intern Nation: How to Earn Nothing and Learn Little in the Brave New  
Economy*

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It should be stated from the outset that Ross Perlin's *Intern Nation*, the 'first book-length analysis of internships', (xvi) is not a scholarly work. Despite the odd textual nod to an academic register and the casual deployment of the footnote, *Intern Nation* is a generic hybrid: part comprehensive and assiduously researched, if at times repetitious, cultural history, part tocsin to mobilise collective action among interns (appendices A and B provide information about legal protections and a 'Bill of Rights'). Perlin's rationale can be distilled in this statement of intent: 'Informal, barely studied, and little regulated, internships demand our scrutiny.' (xv) Through

a synthesis of existent sources, interviews with informants (235) and some gestures towards investigative journalism such as sneaking into the Disney dormitory in Orlando, Perlin maps the historical, social and cultural parameters and consequences of the modern incarnation of the intern with relation to contemporary cultures of education and work. In an indication of the disparate sources to which Perlin turns to explore the breadth of what we might term the 'intern industry', he quotes from articles on 'best practice' from administrative science journals (41) and touches upon the psychology of voluntarism. (126-7) At times, the methodological reliance on anecdotal evidence and other people's research without reference is frustratingly vague and risks being as obfuscatory as the intern culture he aims to illuminate, as here: 'Neff did a survey of communications programs and found that "a pretty high number" now require the students complete an internship "particularly if they're in a journalism program".' (89) The book is therefore an argument for, but not an actualisation of, the collecting of data and quantification of what Perlin views as a 'sprawling system' of undocumented labour. (xv)

*Intern Nation* is also an attempt to address and, far more ambitiously, answer the conundrum posed by Andrew Ross with specific reference to the creative industries in his short essay 'The Political Economy of Amateurism': how did we arrive here, 'realizing the longstanding capitalist dream of stripping labor costs to the bone' through the unashamed use of unpaid and underpaid workers?<sup>1</sup> If San Precario is the patron saint keeping watch over Perlin's prose, then the presiding intellectual influence would be Ross. Aside from providing the complimentary cover blurb ('A book that offers landmark coverage of its topic', lifted from Ross's review in *London Review of Books*), it is Ross's body of work investigating the globalisation of contingent labour and higher education that frames Perlin's understanding of a global phenomenon. Perlin posits that internships 'are, perhaps, a telling index of how globalised a country's organisational culture has become'. (187) However, his focus in *Intern Nation* is largely the American context where the ideology and practice of the internship originates, and where it is so entrenched that it is now considered a mandatory step in many careers across a vast range of professions.

In chapter four 'A Lawsuit Waiting to Happen', Perlin plainly states 'by law, there are very few situations where you can ask someone to do real work for free'. (62) Given there is no legal substantiation for this practice, how did we become so

inured to the notion that people should work for free illegally in order to advance their careers? How and why are the legal parameters so easily overlooked, even when, Perlin claims, ‘a quick internet search reveals the basic criteria that make an internship legal or illegal’? (63)

In response to a 2012 lawsuit where former interns successfully sued a media company for entitled minimum pay, an op-ed in the *Wall Street Journal* came out against the action and the decision, predicting it would dissuade companies from offering what the author of the piece judged a valuable social service.<sup>2</sup> More interesting was the article’s assertion that internships do not, and should not, constitute ‘real’ work. Instead, they are an ‘audition’. The line of argument underscores, albeit inadvertently, a structural limitation of the internship vis-à-vis other more rigorous and standardised ‘on-the-job’ training models such as the apprenticeship; they are ‘a chance to look at the environment, rather than as a chance to learn the job’. (45) This understanding of internships relies on what Perlin identifies as the negative power of internships, that ‘it seems risky *not* to have done one, it teaches you what *not* to do’ (204) or that one ‘learns as much from terrible experiences as from good ones’ which might explain why one university website announces a post-internship attrition rate of 50 per cent for interns in their chosen field. (94)

Even more interesting is that the defence of internships advanced in the op-ed (written by a lawyer, no less) is in fact in contravention of the laws that are used to justify reducing or withholding pay. In the United States, the legal precedent for the loophole in the labour laws is contained in a 1947 case where the Supreme Court allowed for reduced or no wages to be paid to ‘trainees’:

*Walling v. Portland Terminal Co.* involved a seven- or eight-day training course for brakemen in a railway yard. After watching regular employees complete a task, the trainees were allowed to do it themselves under close supervision, even if this slowed down the railyard’s operations. (65)

The definition of trainee according to the judgement was subject to six criteria, which still stand almost seventy years later, and which must *all* be met to justify the reduction or withholding of wages. It is worthwhile reading the criteria that Perlin lists (66) because it is clear that many of the jobs typically delegated to interns—photocopying, making coffee, picking up dry-cleaning, to name a clichéd few—do

not stand the test for not receiving remuneration. Even if one were to take a more liberal 'totality of the circumstances approach', Perlin explains, 'the legality of an internship would rest on whether the benefit an intern received from his or her training *outweighed* the benefits that the employer from the intern's free labour'. (66) Many internships would fail this test too. Yet, as *Intern Nation* outlines, it is not merely the issue of equitable pay at stake, it is also about the 'legal limbo' in which many interns find themselves. Replicating a general gender and pay imbalance, it is estimated that almost three-quarters of interns are women, and Perlin recounts the stories of women who were sexually harassed during their internships (an abuse of power that may have been exacerbated by their vulnerable position as interns), yet had no legal recourse because of their unclear or non-existent employment status. (80–2) Indeed, this is the circumstance for many interns who are subject to discrimination, workplace harassment or unfair work conditions of any kind. Perlin's work underscores that any audit and reform of the intern industry must go beyond the issue of financial remuneration and ensure interns have the right to the same legal protections and entitlements as other workers.

The *Wall Street Journal* op-ed mentioned previously ably illustrates Perlin's point that in the midst of adopting practices that are, at times, illegal, unethical and of dubious educational benefit, what we might call the 'intern industry' enjoys widespread legitimacy. Its workers may be for the most part unseen and unaccounted for, yet the industry is highly visible. Given the widespread public acceptance they enjoy you could say, as Perlin does, that internships are 'a form of mass exploitation hidden in plain sight'. (xiv) Yet Perlin's formula proves somewhat inadequate, given that the socioeconomics of interning are more complex than that statement allows and as his amassed facts and figures testify. (One astute reader pointed out that *Intern Nation's* predilection for catalogues of 'hardships' appeared just as much a product of 'the obsessive, workaholic American impulses that often drive' internship culture itself.)<sup>3</sup> It is clear from Perlin's interviewees that there are stories about the benefits and pleasures of interning amongst the unhappy and/or exploitative experiences. Contrary to the idea that internships belong to an alternative, shadowy world of black market labour, they are rubber-stamped by numerous reputable organisations and groups across the spectrum of society from politics to non-government organisations (NGOs) to the creative industries.

Superficially, employers 'have embraced an informal, unregulated practice which they have been able to shape to their own needs', (xiii) yet the internship is hardly a liminal practice; it is highly institutionalised and rooted firmly in the educational cultures of many countries. As Perlin explains in chapter five, a study of the complicit role of educational institutions, internships are not only advocated as a pedagogical model by universities and colleges, but are built-in economically as a way of outsourcing teaching hours and subsidising costs. Furthermore, it is not quite as simple as an underclass being exploited by a plutocratic class. *Intern Nation's* frequent refrain is that you have to be able to afford and already have the social contacts to work for free. Indeed one of the major conclusions of Perlin's enquiry, and his greatest misgiving, is that the system of internships bolsters social exclusion and injustice by only being accessible to those with the financial wherewithal to subsidise their own participation, thereby ossifying already existent power hierarchies and inhibiting social mobility. (229)

The apparent ubiquity and coalescence of public and political acquiescence to the precariousness of interning seems to have muffled dissent, as there has been no reactive rise in agitation or collectivisation of intern labour. On websites dedicated to reviewing internships, they are rated like any other consumer product and there is little debate about the legality or constitution of internships themselves. (63) There is plenty of commentary in the blogosphere and on websites such as *Gawker* 'outing' employers who advertise internships with unreasonable and/or audacious work conditions, but any activism has taken the form of media shaming or class lawsuits—Perlin gives favourable mention to a high-profile case against the producers of the film *Black Swan* (229)—as opposed to political mobilisation.

The lack of collective identity may be due to the slippery and diffuse nature of contemporary intern labour. The bewildering array of terms and the semantic slipperiness of this proliferation of terms atomises not only at the linguistic level, but also in terms of experience, context, roles and tasks performed. Perlin charts how the term 'intern', which was initiated in the medical profession to designate a clearly defined, unionised group of trainee doctors and was then picked up by the public service to denote a trainee involved in a standardised training program, has been appropriated across public and private sectors and transformed into the 'internship', a more nebulous category. The 'explosion' in internships occurred hand

in hand with the development and growth of human resources departments whose 'core responsibility' is 'finding a cost effective method of recruiting new employees and replacing departing ones' (40) and the rise of sociological theories such as 'human capital'. (127) It is strengthened by an alliance with a dominant discourse governing practices of work and education that exalts and elevates the virtues of entrepreneurship and flexibility and a 'rhetoric of "learning on the job", "learning as you go", "jumping right in", and "being a self-starter"'. Certainly, Perlin notes, the industries that have structured and organised themselves around these types of theories and practices are those that have 'embraced' internships most robustly. (95) The personal politics of interning seem to chime with an ethos where the individual should shoulder the social and financial burdens of their education and early work life, which Ross noted in his review of Perlin's book: 'intern labour—in which most employees do not see themselves as hard done by—is just one more example of the twisted mentality of self-exploitation that has spread through the world of employment in the last decade and a half'.<sup>4</sup>

In response, *Intern Nation* pays close attention to the question 'what exactly are the benefits of unpaid work?' From Perlin's account, the answer to this is unclear for workers and organisations alike. The promise of the internship—access, mentorship, the formation of networks, the acquisition of skills—functions according to a social contract where an organisation allocates resources to training and the intern donates their labour. For them, it is to enter into an economy based on investment for a later return or 'delayed gratification'. (136) More and more, the trade-off for the organisation providing the 'training' is economic benefit (Perlin calculates a 'conservative' figure of US\$2 billion saved on wages annually) (124), yet it is unclear whether labour generated by this industry can always be determined to be profitable in any traditional economic sense, or even be considered 'work'. Many interns that Perlin interviewed claimed that the duties and tasks they undertook were not productive or meaningful, for themselves or for the organisation for which they worked. Similarly, according to one co-ordinator of a large firm's internship program '[o]ne of the biggest complaints from managers ... was that the presence of interns detracted from the time they had for their primary responsibilities. As a result, [he] was under pressure to find interns able to work on their own' (137)—

which would seem to be contrary to the spirit of interning. In these situations, the value to intern and ‘employer’ is uncertain. As Perlin points out:

Internships save firms money, but these savings can easily be dwarfed by the risks inherent in the current system—from bringing people who are mediocre or worse into an organization (if their parents win an auction, for instance) to blackening a firm’s reputation and attracting the undesired attention of employment lawyers and government regulators. (210)

Instead, internships seemed to have established their own circuit of logic regarding supply and demand economics. Some of Perlin’s informants took on internships ‘in part because winning a high-prestige internship now often depends on having completed other internships and in part because so few of these positions convert to paid permanent job’. (113) As with any other ‘hot commodities on the open market’ (155) auxiliary services have emerged to broker that commodity thereby stimulating and valorising its circulation. In chapter eight, Perlin explores the creation, promotion and maintenance of internships as an industry, the viability and validity of which relies on the complicity of organisations (including non-profits) in both the public and private sectors, educators and of course, the interns themselves. Perlin’s position is that this economy devalues the notion of work—‘Every time young people scramble for an unpaid position, they reinforce the flawed perception that certain kinds of work have lost all value’ (62)—though this is not reflected in his figures that demonstrate a high demand for internships ‘in the “glamour industries” or at prestigious organisations’. (92) Nor is his assertion supported in a recent report into unpaid work commissioned by the Australian Government’s Fair Work Ombudsman. Their findings were that internships were prevalent ‘especially in occupations that are considered particularly attractive or for which there is an oversupply of qualified graduates’ and it could therefore be construed that this work has a currency regardless of the fact that it is unpaid or lowly paid.<sup>5</sup>

In many ways, amateurs frequently rehearse the professional and this is at work in the internship economy, which is as competitive, if not more, than the world of paid employment. (91) The idea that unskilled interns are to learn from, not replace, skilled labour becomes obsolete when distinctions between amateurs and professionals are blurred through questionable practices such as hiring interns to fulfil local, immediate demands on an organisation, or misclassifying workers as

interns so as to deny them the pay and benefits they would attract for equivalent work if hired as employees. (38–9) Perhaps the most disturbing of Perlin’s case studies is in chapter six where he looks at Washington and the political class’s subsistence on intern labour. Many interns spend their summer ‘sprawled on available couches ... working on their own laptops, barely supervised or trained’ (102) because of the glut of free labour—one hundred interns for each member of Congress by one estimation (100)—yet the functioning and management of government is dependent on these untried, unskilled and ultimately unaccountable workers. (101) It is here that the now most notorious of internships unfolded. For Perlin, the Monica Lewinsky–Bill Clinton narrative is a parable that encapsulates the uneasy power dynamics and problematic ethical dimensions of a pervasive and strident culture and industry that is widely accepted with little or no scrutiny and/or accountability. (103) As Perlin himself admits, *Intern Nation* is merely a step towards the on-going, wide-ranging educational, economic and political reform required to redress those imbalances.

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<sup>1</sup> Andrew Ross, ‘The Political Economy of Amateurism’, *Television & New Media*, vol. 10, no. 1, January 2009, pp. 136–7.

<sup>2</sup> Steve Cohen, ‘Minimum Wage for Interns? It Misses the Point’, *Wall Street Journal*, 8 January 2013, p. A17.

<sup>3</sup> Andy Beckett, Review of *Intern Nation*, *Guardian Online*, Saturday 7 May 2011, <<http://www.guardian.co.uk/books/2011/may/08/intern-nation-ross-perlin-review>>.



<sup>4</sup> Andrew Ross, 'A Capitalist's Dream', *London Review of Books*, vol. 33, no. 10, 19 May 2011, pp. 34–5.

<sup>5</sup> Andrew Stewart and Rosemary Owens, *The Nature, Prevalence and Regulation of Unpaid Work Experience, Internships and Trial Periods in Australia: Experience or Exploitation?*, Report for the Fair Work Ombudsman, Australian Government, Canberra, January 2013, p. 70.