

Let Interns Be Interns

By Walter Olson

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With eyes wide open, students with many options have long sought out voluntary unpaid internships because they're an arrangement that can rationally benefit both sides.

In an Auburn University working paper last month, four economists reported on a study that found internship experience was associated with a 14 percent increase in the rate at which prospective employers request interviews of job seekers. As a predictor of the rate of callbacks, an internship on the resume actually worked much better than a business degree itself.

Yet class-action lawyers and labor activists now attack internships as – in the trendy, elastic new term – "wage theft." These same lawyers and activists go to court demanding millions of dollars over arrangements both sides understood perfectly well at the time to be unpaid – and do not call shakedowns like these "theft."

Internships were never for everyone. They're especially common in prestige workplaces where many job aspirants are keen to network and seek mentors. Given a suitable match, however, as many counselors and senior business people will tell you, the right internship can make a powerful boost for a budding career in entertainment, fashion or communications. The point doesn't have to be direct acquisition of hands-on skills so much as a chance to observe the style and psychology of an industry: How do successful people in it present themselves? Interact? Manage work rhythms? Yes, your family needs to be able to afford it, but it might work out a lot more cheaply than if you asked them to foot one more semester's tuition bill.

In modern America, it's never more than a short jump from "this isn't for everyone" to "let's ban it." Last year, a federal court said a film company may be on the hook to pay previous interns, and even before that employers had begun retrenching internships for fear of suits. Many if not most programs would flunk the existing rigid rules which require, among other things, that the interns' work product not be of any real use to the employer, and that they be afforded a classroom-like setting even if that removes them from the very things they came to observe.

That "classroom-like setting" rule is a giveaway, isn't it? Because, of course, our whole system positively encourages students to buff their resumes with degree study, useful or otherwise, for which their parents or their future selves can readily shell out \$50,000 a year. "Paying to Learn Nothing = Legal. Paying Nothing to Learn = Illegal," is how Cato Institute education specialist

Andrew Coulson summarizes the stark contrast with internships. By pushing students into unneeded postgrad work, we saddle them with massive debt from which it may take them decades to recover. No risk of exploitation there!

The campaign against internships is part of a wider campaign against low-pay work options in general – call it a campaign to get rid of any stepping stones in the stream that aren't sturdy enough to support a whole family. We know where that leads: toward a rigid, European-style labor economy with its lack of real opportunity for newcomers. Youth unemployment in particular is a chronic problem in Europe, recently averaging 23 percent, in contrast to 16 percent here and 12 percent in Hong Kong. Don't go there.

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