

The Internship Trap: Reproduction of Class Inequality in Chinese Graduates' Transition from Higher Education to Employment

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Abstract. This paper examines the internship dilemma among Chinese college students, focusing on how internships have changed from supplementary learning experiences into informal prerequisites for graduate employment. Against the background of higher education expansion, credential inflation, and intensified competition for stable jobs, the paper asks why internship competition has become increasingly unequal and how it affects youth development and social mobility. Drawing on recent literature on graduate employability, internship inequality, and employment anxiety, the paper uses credential inflation, signaling theory, social capital, and class reproduction as its main analytical framework. It argues that internships now operate as a new screening mechanism that rewards not only individual effort and ability, but also family resources, social networks, and familiarity with professional norms. As a result, internship competition may reproduce class inequality, intensify employment anxiety, and weaken the promise of higher education as a pathway to upward mobility. The paper further suggests that universities, employers, and policymakers should expand accessible internship opportunities, regulate unpaid or exploitative internships, strengthen career support for disadvantaged students, and reduce excessive reliance on internship experience in recruitment.

Keywords: Internship Competition, Credential Inflation, Graduate Employability, Class Reproduction, Social Mobility

1. Introduction

In contemporary China, college students are highly educated young people who have invested years of time, family resources, and personal effort into higher education. They are commonly expected to have access to stable employment and upward social mobility with university degrees. However, for many graduates and soon-to-be graduates nowadays, the transition from university to work has become increasingly uncertain. When they confidently apply for jobs, they find that there are thousands of graduates with the same good degrees as themselves competing for the same position.

This changing situation is closely related to the rapid expansion of higher education in China over the past two decades. Since the higher education reforms initiated in the late 1990s, the number of

university graduates has increased dramatically, transforming higher education from an elite system into a mass system. While this expansion has improved educational access, it has also made university degrees increasingly common and weakened their signaling value in the labor market. Employers therefore tend to rely on additional indicators, such as institutional prestige, postgraduate degrees, work experience, to screen excessive candidates.

Against this background, internships have become an increasingly important part of the graduate transition. For Chinese college students, internships are now informal but necessary credentials to strengthen their employability in the job market. Many students therefore feel pressured to accumulate internship experiences early and repeatedly, often under conditions of unpaid or low-paid work, opaque recruitment processes, and intense peer comparison. Internships now function not only as educational experiences, but also as a new layer of competition within the graduate labor market.

This paper examines the internship trap faced by Chinese college students and graduates. The central research question is how the growing importance of internships reproduces class inequality and generates anxiety in China's education-to-employment transition. More specifically, the paper asks why internships have become increasingly necessary under conditions of higher education expansion and credential inflation, how access to valuable internships is shaped by economic resources, social networks, and cultural background, and how this system affects students' psychological well-being and expectations of social mobility.

2. Expansions of higher education and degree devaluation

One of the most important structural transformations in contemporary China is the rapid expansion of higher education. Since the late 1990s, university enrolment has expanded dramatically, turning higher education from an elite system into a mass system. Recent studies show that this expansion has improved educational access but has also produced new problems of graduate competition, positional advantage, and mismatched employment expectations [1-3]. In the past, university education in China was relatively exclusive. Possessing a university degree often guaranteed stable employment and upward social mobility. However, as more individuals obtain higher education qualifications, university degrees gradually lose part of their scarcity and signalling power. Reference [4] describes this process as credential inflation: when educational credentials become more common, individuals need additional credentials to maintain the same competitive position.

To estimate how participants respond to credential inflation, it has to consider both the employers and graduates. Recent evidence suggests that the graduate labour market has become increasingly congested and that employers often use additional signals, including postgraduate degrees, institutional prestige, work experience, and internships, to differentiate applicants [5, 6]. Among these signals, internship is the most important new evaluation dimension for labour market screening apart from academic qualifications. Studies on internships and graduate labour markets show that internship experience is often treated as evidence of career motivation, workplace familiarity, and professional readiness [7-9]. As the signalling value of university degrees declines, internships gradually become informal requirements for labour market entry. Meanwhile, changes in the market mechanism will further influence the behaviour of market participants. When employers tend to hire graduates with rich internship experience, students constantly receive new signal: only by accumulating more abundant internships can they have sufficient competitiveness. In this context, students gradually perceive internships as essential for surviving in the new screening mechanism and obtaining desirable graduate employment. This newly formed consensus throughout the labour market pushes more and more college students to join the internship competition.

3. Problems brought by intensified competition

Internship competition brings not only intensified competition but deeper and broader structural social impacts, including class inequality reproduction as well as negative psychological and cultural impact.

3.1. Unequal internship accessibility

Educational expansion does not automatically eliminate inequality. Instead, it may shift inequality from access to university toward access to more selective employability resources. Compared with other dimensions traditionally used for evaluating graduates, internships do not necessarily reflect students' actual competence or long-term potential. Rather, access to high-quality internships is shaped by the unequal distribution of economic resources, social networks, and professional familiarity. Drawing on theory of capital in [10], this paper uses the logic of class reproduction and capital conversion as a theoretical foundation: advantages possessed by families and institutions can be transformed into educational and employment advantages. In the internship system, this means that students who already have more resources are often more able to obtain experiences that further strengthen their competitiveness [8, 9, 11].

First, economic inequality leads to unequal internship accessibility. Many prestigious internships in China are located in first-tier cities such as Beijing, Shanghai, Shenzhen, and Guangzhou. Participating in these internships often requires students to pay for housing, transportation, and daily living expenses in high-cost urban areas, while the internships themselves may offer low wages or no wages at all. Therefore, internship participation is not only a matter of ability or motivation, but also a matter of whether students can afford the hidden costs of work experience. Students from wealthier families are more capable of undertaking long-term internships, especially unpaid or low-paid ones, because they can rely on family support during periods without stable income. By contrast, students from lower-income backgrounds may have to choose paid part-time work, return to their hometowns during vacations, or prioritize immediate income over resume-building opportunities. This creates unequal access to employability resources. Recent studies on internships show that social class strongly shapes who can afford to use internships as stepping stones into competitive labor markets [7, 9, 12].

In addition to economic inequality, access to internships is also shaped by social networks. In China, many internship opportunities are distributed through informal referral systems, including personal recommendations, alumni connections, and professional contacts. Recruitment processes are often opaque, and internal referrals may significantly increase applicants' chances of success. Students from middle-class or elite backgrounds often have greater access to professional networks through family members, alumni communities, prestigious universities, or earlier exposure to career planning. These networks may provide information about hidden opportunities, advice on application strategies, referrals, and informal evaluations of which internships are worth pursuing. By contrast, first-generation university students or students from less privileged institutions may rely mainly on public recruitment platforms, where competition is broader and information is less personalized. Recent research on graduate employability similarly finds that class advantage often works through access to information, guidance, and professional networks [9, 11, 13]. While some students compete only through open applications, others benefit from family connections, institutional prestige, and recommendation-based channels before formal employment even begins.

Another important source of inequality in internship competition is professional and cultural familiarity. Successful internship applications often require students to understand workplace

expectations, interview etiquette, resume presentation, corporate language, and middle-class communication styles. These capacities are rarely taught in universities. Instead, they are often accumulated through family upbringing, school environment, overseas experience, extracurricular activities, and early exposure to professional settings. For example, middle-class students may possess stronger English skills, greater confidence in interviews, better knowledge of corporate recruitment norms, and more familiarity with how to present themselves professionally. By contrast, first-generation university students may possess comparable academic ability but feel uncertain about workplace communication, networking, self-promotion, or informal interview rules. Research on first-in-family and working-class graduates shows that these students often have to work harder to decode professional expectations that privileged students may treat as natural [14, 15]. Therefore, internship competition rewards not only technical competence but also familiarity with dominant professional norms. Students who already understand these norms are better positioned to perform confidence, ambition, and fit during recruitment.

The unequal distribution of economic, social, and cultural capital mentioned above demonstrates that internship systems often reproduce existing class inequalities. Since internships increasingly influence future employment opportunities, students who already possess advantages are more capable of accumulating additional advantages through prestigious internships. These internship experiences then become visible signals in formal recruitment, allowing privilege to be converted into employability advantage. In this way, the internship system may reward prior family resources while appearing to evaluate individual effort in a tricky way. Educational inequality has gradually shifted from unequal access to universities toward unequal access to employability resources. Admittedly, class inequality in labour market entry is not a recent phenomenon. Existing studies have shown that graduates' employment trajectories and labour market outcomes in China continue to be shaped by social background, institutional arrangements, and unequal access to resources and networks [1, 3, 13]. However, previously, such inequalities were mainly manifested during formal job recruitment. As internships increasingly become prerequisite experiences before full-time employment, students are now required to navigate multiple rounds of internship competition. Class-based advantages and disadvantages are therefore repeatedly reinforced and accumulated across these stages, ultimately producing a cumulative effect that amplifies inequality in formal employment outcomes. This process significantly weakens social mobility because career success increasingly depends on resources outside formal education. Internships function as new mechanisms of class reproduction, making disadvantaged students struggle to survive in the competition.

3.2. Internship anxiety and competitive culture

Although the inequality of internship accessibility has class attributes, the psychological impact brought by internships is common and universal. The structural transformation of internships has generated a culture of anxiety and hyper-competition among Chinese college students.

As internship experience becomes increasingly important in recruitment, students feel pressured to continuously improve their resumes and demonstrate employability before graduation under peer pressure. Within universities, students frequently compare the number, prestige and timing of their internship experiences, while social media platforms further amplify such comparison by turning career progress into visible and measurable achievements. This visibility increases students' fear of falling behind and encourages them to interpret insufficient internship experience as a personal failure rather than as a result of unequal opportunity structures [16, 17]. Moreover, this process

reflects a broader culture of self-optimization, in which rest may be interpreted as laziness and uncertainty may be interpreted as personal failure [18, 19].

The competitive logic has also changed the meaning of university life. Students are encouraged to prepare resumes, attend networking events, join extracurricular activities, and accumulate professional experiences as early as possible before they have developed genuine interests or career goals. Higher education is therefore increasingly shaped by employability competition rather than intellectual exploration. Instead of treating university as a space for learning, reflection and personal development, many students experience it as a continuous race to produce marketable signals for future employers [18, 20]. This completely goes against the essential purpose of higher education.

Therefore, the internship trap has consequences beyond employment itself. It links students' self-worth closely to employability and achievement, making career preparation a source of long-term psychological pressure. Empirical studies suggest that employment pressure and internship experience can influence college students' employment anxiety, psychological resilience, and career uncertainty [16, 21, 22]. Excessive internship competition may therefore weaken academic motivation, reduce space for personal exploration, and damage students' well-being. In this sense, internships not only reproduce social inequality, but also contribute to a competitive culture that reshapes how young people understand education, success, and themselves.

4. Institutional solutions

According to the above analysis, the internship dilemma is not merely an individual problem of insufficient effort or poor career planning. It is produced by structural changes in higher education, labour market screening, and class-based access to employability resources. Therefore, solutions should not simply encourage students to apply earlier, work harder, or accumulate more experiences because the structural unequal conditions still exist. Effective solutions should address three related problems: unequal access to internship opportunities, exploitative internship practices, and the excessive use of internship credentials as status signals.

First, universities should strengthen equal and institutionalized career support. Since internship information is often distributed through informal networks, universities need to build transparent internship platforms, cooperate with employers to provide student-exclusive opportunities that are open, timely, and easy to access. Career centres should not only provide general resume workshops but also offer targeted guidance for students who lack family-based professional knowledge, including interview training, workplace communication, application strategy, and industry-specific mentoring. Universities may also provide need-based internship subsidies, housing support, transportation allowances, or short-term grants so that students' participation in internships does not depend solely on family financial capacity. In this way, universities can reduce the gap between privileged students and first-generation or lower-income students.

Second, universities should integrate practical learning into the curriculum rather than leaving students to accumulate such working experience by internships entirely on their own. Project-based courses, simulated workplace tasks, research assistantships, credit-bearing practice modules, and university-employer collaborative projects can provide students with recognized practical experience inside the formal education system. These experiences can serve as proof of qualifications other than internships to demonstrate that these students are also qualified for demanding job positions. Furthermore, since students can accumulate work experience on campus, the demand for internships outside of school will decrease, thereby alleviating the need for internships.

Third, employers should make internship recruitment and evaluation more transparent and fairer. If internships are used as channels for selecting future employees, companies should clarify job responsibilities, recruitment criteria, working hours, supervision arrangements, and compensation levels. Unpaid or extremely low-paid internships should be reduced because they exclude students who cannot work without income and turn economic privilege into professional advantage. Employers should also avoid mechanically treating the number or prestige of internships as proof of ability. Instead, recruitment should evaluate applicants through multiple indicators, such as academic performance, project work, problem-solving ability, motivation, and potential for learning.

Establishing clearer standards for internship protection is a critical approach for policymakers. This does not mean mechanically forcing every firm to create internships, which may increase administrative burdens and reduce employers' willingness to participate. A more balanced approach is to encourage paid, transparent, and well-supervised internships through public incentives, university-enterprise partnerships, and recognition for fair recruitment practices. At the same time, basic rules should be strengthened regarding unpaid work, excessive working hours, insurance, safety, and the educational content of internships. Public or nonprofit internship programs can also be expanded to provide more accessible opportunities for students from less advantaged backgrounds.

Finally, it is necessary for the whole society to reconsider the meaning of internships and the employability competition on a broader cultural level. Internships should have been ways helping students explore career interests, develop skills, and understand workplaces, rather than simply function as resume decorations or symbols of status. Students should not be encouraged to treat every stage of university life as a race for marketable signals. Employers, universities, and families also need to reflect on whether excessive internship competition truly improves talent selection, or whether it simply shifts inequality to an earlier stage. A healthier internship system should value learning, fair access, and meaningful professional development, instead of rewarding only those who can accumulate the most impressive experiences. Endless competition only brings about more widespread anxiety.

5. Conclusions

Higher education expansion has undoubtedly widened access to university, but it also brought credential inflation and intensified internship competition. This paper has argued that internship competition reproduces class inequality through the unequal distribution of economic, social, and cultural resources. Students from advantaged backgrounds are more likely to afford unpaid or low-paid internships, obtain information and referrals through networks, and present themselves according to dominant professional norms. Students from disadvantaged backgrounds may possess similar academic ability and motivation, but they often face higher costs, weaker networks, and less familiarity with workplace expectations. As a result, internships may transform family resources into visible employability advantages while presenting the outcome as a fair result of individual effort. The internship dilemma also reshapes students' psychological experience of university life. Under the pressure of credential inflation and peer comparison, many students begin to view themselves as projects that must be constantly optimized. University becomes less a space for intellectual exploration and more a race to accumulate marketable signals. This produces anxiety, burnout, and fear of falling behind. More importantly, it narrows students' understanding of education: learning is valued mainly when it can be converted into employability, while uncertainty, rest, and personal exploration are easily interpreted as failure. Therefore, solving the internship dilemma requires more than helping students become more competitive. It requires universities, employers, and

policymakers to redesign the transition from education to work in a fairer and more sustainable way. Internship opportunities should be more accessible, recruitment should be more transparent, exploitative practices should be regulated, and employers should reduce excessive dependence on internship credentials. More fundamentally, society needs to question a system in which each solution to competition produces another layer of competition. If higher education expansion is followed by unequal access to employability resources, then the promise of education as a pathway to upward mobility will remain incomplete. The goal should not be to push every student into a more intense internship race, but to build a transition system in which young people can develop abilities, explore futures, and enter the labor market without having their opportunities predetermined by class background.

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