

Involution, No Revolution: Technocapitalism and Intern Labour

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Abstract: The global economic downturn due to the pandemic has resulted in shrinking the digital market in big economies such as the USA and China. After the pandemic, many of the major tech and internet-based companies had to take action to reverse their declining balance sheets and look for ways to financially rebound. Illustrated in this paper is how these tech firms in China could further advance their economy by minimising their paid manpower by working with/under the education system and inventing new temporary intern positions as semi-(im)material labour to expand their workforce. Based on our ethnographic work and interviews with interns, we elucidate the case of a Chinese tech intern, which exemplifies what we refer to as *involution*. Involution is a process by which the new generation is induced to accept a much more precarious economy as a result of nominal pay, yet can nevertheless survive, meet their daily needs and dwell in big cities, rather than engaging a radical change or revolution.

Keywords: involution, revolution, technocapitalism, digital capitalism, tech firms, internship, labour, precarity

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1. Introduction

The COVID-19 pandemic severely affected labour markets across the world. Among those, the youth employment rate was particularly pronounced (International Labour Organization 2021). There was hope that position availability for youth would rebound after the pandemic. In reality, however, major tech companies such as Amazon and Facebook quickly adjusted to the changes brought about by the COVID-19 pandemic and recorded even higher profits (Ovide 2021). It was only after the pandemic that the revenues of these industries started to plummet, resulting in waves of redundancy (Howley 2022). Under the slowing domestic economy, China's internet companies also faced the same fate. Six out of ten of the biggest tech corporations, including Alibaba and Tencent, slashed 4% to 10% of their employees (Cheng 2023). Under such a lagging economy and waves of layoffs, the existing staff such as digital labourers who have continued to work for these tech giants are working under even more unstable and precarious conditions. But, at the same time, these internet-based corporations, which are listed on the major world stock markets, have all devised various measures to make up their losses or to increase the bottom line of their financial reports. They have to come up with new and 'innovative' measures to squeeze more profit out of the saturating market in the post-pandemic era. This paper aims to meticulously examine a novel mode or mechanism of labour exploitation introduced by tech firms, specifically

intern labour, which has emerged during a period of economic decline amid the pandemic. The objective is to elucidate how this form of capitalism, steered by technology, has evolved into a stable structure intricately connected to the state and education system in contemporary China. The study sheds light on the intricate process through which tech firms system, have transformed internships into a system that enables these digital companies firms to reduce costs, concurrently expand their workforce, and consequently, enhance their revenues. In such roles, interns are often expected to put in extensive hours, equivalent to those of full-time staff, yet they receive disproportionately low remuneration, all under the guise of temporary internships and the myth of a better material future. Our study of the internship system in Beijing challenges this conventional perception, and we argue that in cities like Beijing, where the economy is heavily reliant on digital capitalism, the internship system allows tech companies to exploit interns legitimately. Despite the precarious nature of internships for the younger generation, they often choose to accept these conditions rather than mounting radical reactions against the system.

The article starts with an explanation of what intern labour means nowadays and explains how the system is squarely articulated into technocapitalism. After a brief session on method, we attempt to explicate technocapitalism has produced a sub-precarity of intern labour who are willing to accept the condition of work under a phenomenon or process called involution. In the sessions followed, we discuss how involution works under the specific mode of capitalism in China. In the end, we attempt to deconstruct the myth of technocapitalism and explain how it works in tandem with state capitalism in China.

2. Internship and Intern Labour

Elucidated in this study is that university or college students are subservient to the essentially compulsory schema of internship jointly constructed by (socialist) capitalism and the state in China. In this post-industrial period in which there are more graduates produced than are needed in the workforce, the graduating college students in urban cities face stiff competition. In 2023, with 11 million graduates and a worsening economy with massive layoffs (more than 900,000 positions cut among the listed companies) (Luojiashan de Youzi 2022), to get a job in urban cities like Beijing, college students must have performed well in school (demonstrated by their college results) or experience that they acquired by working as interns. College or university graduates who excel in their internship or multiple internships could eventually land a job with an internet-based firm for a perceived high-paying and relatively more stable job. Those who fail to get into an internship in a prestigious tech firm are easily stigmatised as inferior or less competitive candidates. Suffice it to say that a wide variety of industries, including non-tech companies (e.g., museums, banks, and even coffee shops), offer internship positions, but these are not perceived as highly paid positions compared to those in tech companies.

Currently, for students, getting an internship position during the transitional period between school and work is regarded as a legitimate career development. These interns are absorbed into this relatively new capitalist invention of this schema called internship, which is welcomed by corporations because they do not have to pay high labour costs in exchange for productive workers if they employ interns. At the same time, without any critical debate on the function of universities, the schema of internship functions in conjunction with the education system to supply trained workers to industries, while students can claim that they have fulfilled the practicum curriculum requirements of the university. In a study of the discourse surrounding student internship,

Discenna (2016) argued that the discourses of unpaid internship construct a specific labour force of the youngest workers who are made to believe that they are more employable after the internship. He also critically pointed out that the current situation in which universities heavily promote internships as part of career management worsens the income inequality of society. From the point of view of education, the transitional stage of internship where students develop their professional identity through the experience of this semi-professional position can be regarded as a 'liminal space, according to Odio and McLeod (2021). Under this liminality, despite the exploitation of the intern job as such, as Odio and McLeod pointed out, an internship is often considered in society as a useful way for would-be employees to experience ruthless social and economic reality. The authors also noted that during this period, students will experience powerlessness, ambiguity, exploitation, and even sexual harassment and abuse before they enter the commercial world upon graduation. In other words, through an internship, the precarious condition of labour in society has extended its effect into the unregulated liminal space of the students who are only supposed to be exposed to exploitation one or two years later. This is a strategy for capitalist corporations to continue to expand their annual growth, and when the profit margin of the market has reached its saturation point, this short stage enables them to gain surplus value. In China, Xia's study (2019) of the working conditions of interns at two Chinese internet companies confirmed that interns suffer both poor working and living conditions, and this can also be attributed to the precarity created by the coercion of both the Chinese higher education system and the internet companies. This study implies that a critical study on intern labour needs to be made to examine how the schema of internship works under digital capitalism. It is also vital to explicate why the schema of internship and internship labour evolved in the first place and how the forms and schema of internship have been incorporated into the educational system and the state. The significance of this study then lies in critically examining internship as an increasingly normalised form of labour and explicating how and why young students, capitalists, and state institutions have co-produced this sub-precarious form of labour.

3. Labour and Technocapitalism

The specific focus of this study is intern labour in high-tech, primarily internet-based companies in China, a group that has often been understudied. These individuals referred to as 'interns,' occupy non-official and semi-staff positions within these high-tech firms. Interns are typically students who have not yet completed or have just finished their studies. They either choose or are assigned to work in these companies on an internship basis as part of their undergraduate or postgraduate studies at college or university. Interns do not fall into the category of regular staff, as they are not included in the official headcounts of the companies. However, they also differ from self-employed entrepreneurs who enjoy flexible schedules and lifestyles. Interns adhere to a regular workday and are subject to the companies' regulations and policies. Working today as interns in tech firms, however, involves a different social feeling. Like those working in Silicon Valley, someone who works in the high-tech sectors, or 'big factory' as the Chinese would call it, would be crowned with an 'aura'. They are often associated with individuals who have excelled in higher education at prestigious universities. However, in the socialist market economy of China, these tech giants operate quite differently from state-owned corporations, particularly in terms of remuneration and benefits. Notably, corporations such as Tencent, Alibaba, and Baidu, which are frequently listed in New York, Hong Kong, and China, offer their senior management exceedingly high salaries along with share bonuses or stock options. Even lower or

middle-level staff, to a certain extent, receive substantial compensation compared to their counterparts in non-skilled or professional roles in other corporations, state institutions, or agencies. Of course, adhering to capitalist principles, the possibility of redundancy or layoffs exists, occurring at any time when staff fail to meet the expected performance standards set by the corporations.

Historical and social context is different as it might be in the case of China where internet-based high-tech firms are perceived as a new mode of production for driving the economy in the new era of technocapitalism. Technocapitalism is often criticised as an economy in which digital companies produce content, products or services obtained by commodifying labourers and the work of creativity (Suarez-Villa 2009). In this paper, without going in-depth into technocapitalism, we attempt to focus more on how the new generation of university graduates or new labourers survives in this context.

The force of attraction toward such high-tech in these corporations could come from the socially constructed narrative about the emancipatory potential of new communication technologies – from lessening control to increasing participation – which in turn leads to a new industrial revolution and its possibilities (Garnham 2000). In China, the prevalent narrative among young professionals revolves around “financial freedom”. There is a widespread belief, especially among those in high-tech firms, particularly start-ups, that by attaining high positions or acquiring stock options, professionals can eventually reap substantial monetary rewards, enabling them to retire or pursue other ventures. While this notion may not be entirely untrue, it is less common now, differing from the time when Tencent and other tech firms first pursued IPOs several years ago. Additionally, despite signs of a decline in technocapitalism due to economic downturns, ironically, social media—integral to this sector—continues to actively discuss and perpetuate the narrative of financial freedom.

Undoubtedly, the ethos of experimentalism ingrained in high-tech capitalism can be exploitative and chaotic (Suarez-Villa 2009). However, there is also a creative aspect to it (Thore 1995). In any case, labourers engaged in high-tech roles within internet-based companies are perceived as playing crucial roles in ‘cool’ jobs and ‘hot’ industries (Neff, Wissinger and Zukin 2006). This new mode of production brings forth two common promises. Firstly, there is the self-employed or entrepreneurial labourer who assumes the role of an influencer or microcelebrity, enjoying a flexible lifestyle and, at times, crafting new subjectivities through entrepreneurial self-making, despite the absence of job security (Zhang 2023). Secondly, there are educated knowledge labourers, akin to those in Silicon Valley, described by Hyde (2016) as a high-velocity market. These individuals may relish high salaries or potential compensation (especially stock options) and are willing to embrace short tenures, rapid turnover, and extended working hours.

4. Method

The data of this study are based on the ethnographic work of one of the authors, Feier Chen. Chen was a master’s student majoring in digital content in the School of Arts and Communication at Beijing Normal University (BNU), where the other authors serve as professors. The research began as an internship-cum-ethnographic study for Chen. Before and during the study, Chen was instructed and trained as a researcher while a student at BNU.

Chen’s internship took place in one of the biggest game companies in Beijing. The prerequisite for serving as an intern at the company was computer animation and illustration literacy. Chen was aware that while the University provides courses on concepts and development of the industry, together with basic skills in animation, there is a

significant gap between the industry and the academic training in terms of techniques and know-how. Interested in joining the game industry, Chen spent RMB8,000 to regularly attend a short, intense cram class three times/week (3 hours/class) for six months from August 2018 to February 2019 to learn digital graphics and computer drawing. She then entered an open competition for computer illustration organised by a tech company in Beijing. The winner and a few runners-up were awarded internship positions at this giant tech company. She won the competition, which included 1,000 contestants, and she was given a position as an intern game artist for three months. At that time, it was her third year of study at the University. As she had to complete a master's degree in her fourth year, with her supervisor, she then planned this study on internship labour. In May-August 2019, Chen formally joined a game company (hereafter called X) as an intern artist in a position involved in a project on an MMORPG with ancient China as the backdrop. She told her supervisor that she was also interested in working as a researcher, and she received verbal consent to do ethnographic research. In the process, she documented what she did and experienced as an intern while receiving guidance from her supervisor at the University. In a nutshell, the ethnographic account of this study is about how high-tech capitalism worked through this internship position to ensure that she 'professionally' delivered digital artwork in gaming.

As for the actual work, Chen was assigned to a mentor who was one of 10 artists in a large production team with hundreds of staff. She worked from 9 am to 7 pm each day with a two-hour lunch break for three months with occasional overtime work together with her supervisor. As with other interns, the three-month period was the norm for the internship, and with this minimum period, any interns can ask companies to provide proof of their internship which they can include on their CV. In the same period, she documented her daily routine and self-narrative. The other two authors also interviewed her to conceptualise and contextualise the data. In 2010, to supplement the ethnographic data, we interviewed 10 artists from the same industry, from interns to experienced video concept artists who had worked in the industry for 13 years. Based on these interviews, Chen wrote a master's thesis and paper about video game concept artists in a big tech company as one of her graduation requirements.¹ In 2023, after the pandemic, to explore the phenomenon with cases of internship in other arenas (e.g. for music, social media apps etc.), we interviewed three more interns. Such supplementary data also covered the internship experience of those working in three other major internet-based companies in Beijing. These interns worked in the content production, marketing and copyright departments of these tech companies.

5. Sub-Precarious Conditions of Work

Interns in Beijing receive meagre monthly wages from companies. According to a survey of 16 tech companies in Beijing, the daily income varies from RMB 200 (US\$27) to RMB 600 (US\$82), making it challenging for interns to make ends meet. Typically working from Monday through Friday with weekends off, interns, unfortunately, do not have access to medical benefits or sick leave. In the event of illness preventing them from working, interns receive no salary during their leave. The sole fringe benefit tends to be a meal plan for lunch. With rental costs consuming half of their income, interns

¹ Some of the data presented in this article is derived from Chen's original fieldwork conducted for her master's thesis in 2020. Additionally, a Chinese paper focusing on the study of video artists in the game industries in China was published by He and Chen in 2023. It's worth noting that, in this latter publication, intern labor was not the primary focus.

face a critical financial situation. Before the onset of COVID-19, some companies provided cash allowances for rental and meals, but many of these allowances were discontinued as the economy took a downturn after the pandemic. Additionally, it was widely understood that all staff members were expected to work extra hours. At X company, for example, Chen would not receive extra income for the additional hours worked. In our interviews with interns from various companies, we discovered that monetary compensation for overtime work was rare. Despite this, interns often received dinner provided by the companies and reimbursement for taxi fees when heading home late. The question that arises is whether the working conditions for interns in Beijing can be deemed precarious.

According to Studyportals (2023), Beijing is the most expensive city in which to live, and students need US\$1,000 to US\$1,200 to cover all expenses. If students were only offered minimal wages, the internship system theoretically would not have been able to be robustly sustained. In practice, universities in China subtly collaborate with these tech firms to make the internship work, ensuring that the salary provided by a company, for instance, in Beijing, is sufficient to meet the daily expenses of an intern studying in the same city. Throughout the internship period, the education system complements the experience by continuously providing interns with almost free or very low-cost accommodations in student dormitories, thereby alleviating students' rental costs. Companies, on the other hand, often have on-site staff canteens that offer free meals for interns. The government also plays a role in this process; authorities heavily subsidize commuting costs across the system, with subway tickets costing as low as or less than US\$1, even for a 40 km journey in Beijing (China Highlights 2023). This significantly reduces interns' travel expenses. Ultimately, an average salary of US\$ 400-600 for an intern in Beijing can cover their school tuition, accommodation (despite the low cost), and daily necessities. However, some interviewees mentioned that they had to seek financial support from their families to survive the internship. Many students who are genuinely financially disadvantaged or come from third-tier or fourth-tier cities may find it impossible to afford an intern position in cities like Beijing, Shanghai, or Hangzhou, where high-tech firms are concentrated. Thus, the internship can be seen as an evolving social system in which the state, education system, and capitalists (or the market) collectively invest minimal costs to exploit the potential of not-yet-graduated students to the limit. These overlapping systems collaborate, if not collude, to consign student interns to a 'sub-preariat', which Soppitt, Oswald and Walker (2022) have defined as groups being denied access to even precarious work. These interns in tech firms in Beijing are faced with dual exploitation: the work is short-term and temporary on the one hand, and their salary is much lower than normal staff on the other. In other words, there has been another sub-class created – which is an inferior and lower one – below the formal class of tech company employees, who have already been described as working in precarity. This sub-class may not differ significantly from the lower working class or blue-collar workers, who also endure low salaries and minimal protection. However, following Wright's logic (2016), interns can be classified as a sub-class because they harbour distinct agendas and survival strategies compared to the lower class in society. Labelled as interns under mentorship and operating under the pretext of learning in progress, individuals in this sub-class, despite facing exploitation from both the firm and regular staff, perceive or believe that they are in a temporary transitional phase. Unlike the lower class, who may have limited upward mobility opportunities, interns still have the prospect of striving to secure a permanent position as regular staff in a high-tech firm. In the case of Chen, she worked with other full-time staff in a production team consisting of around 100 people. But there were actual differences in

terms of the work. In the first three working days, Chen was assigned a real illustration job by her mentor. It was a computer illustration of the full outfit of an animated character. In essence, it was a skill assessment given to her. If she passed it, she would be fully integrated into the production team for the game production. If she failed, she would be treated as, more or less, an extra hand in the office, and she would remain on the periphery of the team, although as Chen said, she was never ill-treated. Chen thought this was an impossible task for her as the drawing would require advanced skills and years of experience for a professional to accomplish. In addition, Chen's specialisation was the Western style of illustration, but the requirement of the job was for the national Chinese style (*Guofeng*). Naturally, she failed, and for the rest of her internship, she continued the job of drawing minor props for fictional characters (e.g. pets, swords etc.) of a game every day. She noted that because of interns' low salary, for the company, this meant little cost for them. Eventually, there were some of her illustrations that could be selected for use in the actual game. After three months, she underwent a final 'internship examination,' and as anticipated, she did not pass and was subsequently compelled to resign from the company.

6. Involution and Precarity

Chen's experience was not unusual. It is a common experience for interns in these high-tech firms. Internship, being low paying and short-term, is exploitation of students, where some interns are considered just casual labour in the company. The question is why Chen, and many other interns turn to internships – some more than once – while they are aware of the potential alienation and exploitation of such intern labour. In our interviews with interns, indeed, some interns could not offer a rational answer for the precarity. Some deemed it quite natural and a matter of having no choice. Nevertheless, what we found was common in their background was that those who were admitted to the internship programme of these high-tech companies were students mainly studying at prestigious universities and in major cities such as Beijing and Shanghai. In other words, these students had already been enrolled in a relatively elite system: they were all in the top layer of the higher education system in China. They were also seeing the road ahead that would lead to working in big corporations, including internet-based companies. The young intern labourers had enjoyed the taste of social mobility through capitalist work and were already halfway up the social ladder. Given the social expectations and the expectations of their parents, they could not afford to go back to second- or third-tier cities or villages to live but wanted to dwell in big cities where these high-tech firms are located. After graduation, Chen chose to work at ByteDance, the mother company of TikTok, in Beijing and would not return to her hometown, Suzhou, to live. To society, these interns are also seen as future professionals, although at the stage of internship, they might just be semi-professional in that they have enjoyed the status or recognition without necessarily having sufficient knowledge and skills for the job. However, the intern labourers' aura continues to shine until they receive their diplomas from universities and secure jobs.

With the pressures exerted on them and the lure of the profession, youth at this juncture find they have no exit. Given their records of success, they have already stepped onto the path of success offered by capitalism. Rather than complaining about the hardships, refusing to accept the absurdity of the internship or joining any structured or non-structured social movement to revolutionise the socialist-cum-capitalist system, they succumb to the intense pressure and yield to the overwhelming demands placed on them by the education system first and then capitalism at the point of taking an internship. To be qualified to be in the system, they are willing to work extra time

and expend great effort. This is the process – and also the attitude – of what we call involution.

In society, the phenomenon of involution, particularly in a relatively closed system with an abundant supply of labour, as is the case in China, naturally permits a high input of labour and time. However, the number of jobs, the volume of production, and the profits do not proportionally increase. In other words, a more competitive environment does not result in a significant collective improvement or evolution of the capitalist economy. For students, involution manifests as a relentless attitude towards their life, studies, and work. Unfortunately, this attitude has been increasingly characterized by a lack of critical examination. They never question why they have to work hard, withstand hardship, and outperform their cohorts. It can be said that this attitude is moulded by a super-competitive society. As a process then, involution can be seen as a ‘must stage’ for, say, students to transition from school to work. In this stage, as with Chen, the continual demonstration of success is important lest they would be outperformed by their cohorts. Chen paid to acquire skills, spent long hours learning and looked for an intern position in the company. Even though she was given a ‘package’ that included a precarious period of temporary work or internship accompanied by a low salary and a marginalised status of work, she had no choice but to accept it. Thus, involution seems to be a never-ending process. As an intern, without critical thinking, she tolerated the exploitation and continued to vie for higher positions until she was able to join a tech company as a formal member of the staff. But even after she joined the crew of the big firm, the precarity remained and increased.

However, involution is not a natural process of development for youth. Given the formalised system of application and operation of internships, we could argue that these high-tech giants play an active role in promoting internships and the supposedly resulting professional positions by actively innovating themselves through developing new products and branding themselves with discursive and non-discursive strategies to persuade the gullible, involuted students and would-be professionals to pursue their dream of being a creative labourer in their companies. On one hand, this strategy aims to ensure that intern labourers experience the fame and honour associated with technocapitalism, making them less resistant to the immaterial and affective allure of the internship. On the other hand, technocapitalism perpetuates the impression among interns that internet companies are the driving force of the Chinese economy—an assertion that has been substantiated by their past success. During the economic ascent of China in previous years, tech giants provided both material rewards for current tech employees and incentives for potential hires. Ostensibly, depicting an affective quality of the internship together with the material promises of the industry is the common strategy for these corporations so that they would be continuously seen as worthy for the students to engage with. In theoretical terms then, an internship is constructed as an ‘advanced’ mode of temporary work in-between the immateriality or affective quality of the internship and the materiality of the technocapitalism. Thus, in the involution of the youth, the process of taming these semi-(im)material labourers exists in tandem with creating the hope of a successful career ahead. The latter would embody both the affective nature of the job and the material rewarding aspect of the profession. Thus, seeing internship as a necessary stage along the professional path allows for the justification of sub-precarity, subordination or marginalisation. This is because the materiality of the job is perceived as their next level of accomplishment waiting for them.

7. Self-Reflection and Symbolic Capitalism

In our interviews with interns, we asked the interviewees to reflect on whether it would be worth being a sub-preariat. They offered both immaterial and material rationales for their responses. First, there is the immaterial gratification of being an intern. An internship is a sublime experience for the university student and novice worker. From their point of view, there is certainly a dislike of being exploited, and there is fear of challenging tasks, but their subjugation to the high-tech capitalist machines or the semi-institutionalised internship arrangement can be associated with a delicious irony: despite exploitation and manipulation, there are fame, pleasure and honour concomitant with the reputation of these giant tech companies in the public discourse. Technocapitalism is seen as the main force that sustains the existence of long-practised capitalism as implicated by the gradual and steady rise of the US's NASDAQ Index – one measure that reflects the growth of high-tech companies. As previously noted, Tencent, Baidu and Alibaba are all New York-listed companies. For interns, entering into these global companies would be conceived as entering into a new international class status. On the one hand, among themselves and between interns and companies, the eminence and notoriety of this high-tech capitalism is internalised. On the other hand, as explained by Chen and other interns, these feelings are also reinforced by their cohort of classmates who might not have this internship opportunity.

Second, in practice, there is the potential or hope for momentary reward. An internship is seen as a transitional state leading to entry into the circle of high-tech companies. It is a step for interns to kick-start their careers in the dream job of a high-tech company which will offer a salary two to three times that of a recent graduate. Human resources departments do factor in an internship experience in these three or four big tech companies (Tencent, Alibaba, Baidu and ByteDance) as a concrete benchmark of the success and talent of the graduates. Interns told us that there are cases where interns returned to their intern firms to become full-time staff later on. Chen met interns who outperformed others and did stay on working in the company as full-time staff. One graduate interviewed, indeed, 'collected' these work experiences at three big companies in a row so that her CV was even more impressive. Internship, at this point, is seen as a form of symbolic capital of honourability which could be interchangeable with other forms of capital (financial, cultural etc.) in a later career stage.

It seems that at this advanced stage of capitalism, capitalists attempt to maximise their profit to convert the surplus value of intern labour into profit, and in return, they create new kinds of symbolic capital – in this case, the intern identity – as an indirect (immaterial) and deferred material reward for those new labourers participating in an internship. This symbolic capital is a capital demonstrating honourability. This is usually a deferred reward for interns without a strong guarantee of a stable job, but as the industry is structured in a way that they all recognise such symbolic capital, it convinces the interns to believe in the value of this capital. This is an advanced way to attract workers into the creative industry as affective labourers who would likely feel the instant reward of fulfilling their emotions and desires. However, the effect of affective labour varies. Some are more attracted as the affects felt are stronger for those involved in games, animation or creation in the industry. In terms of the rise of symbolic capital, it is now more structural, universal and exploitative. The scheme of internship started in Silicon Valley as an effective means to recruit talent into companies and has evolved into a trusted process through which recent graduates can be potentially hired into companies, at least, in China.

In most cases, these symbolic capitals are not always evident, as it is more about the personal experience of students. But quite interestingly, there are specific cases

where the honour and status of interns are visible. Concerning this aspect, Chen has a self-narrative: although there no printed name card was given to her, she hangs a company lanyard around her neck. The lanyard is not just an electronic device that enables her to enjoy free meals in the staff canteen. What is more important is that when she wears it, for instance, in a lift, she will be recognised by colleagues of the company or staff of other companies as a member of the staff of Company X. At such a moment, she feels that she has attained a certain amount of fame resulting from her association with Company X.

8. Deconstructing the Material Myth

There is yet an empirical question to answer. Will that symbolic capital as well as the affective labour be translated into a material reward in future? In Chinese society, it seems that no one questions this. Under the context of involution, there is no reason for interns to be critical of the myth. They are probably the beneficiaries of the system, even though not all of them eventually excel. On the side of the capitalist, at least, the myth of a promising well-paid job is not unrealisable. For example, in the US, there are similar narratives about the condition of game developers and artists on the East Coast and West Coast. These professions are always seen as creative, enthusiastic, autonomous and passionate (Thompson, Parker and Cox 2015), and the superiority of the lifestyle associated with them is sustained by high salaries. Senior positions in game companies in the US, such as game character designer or senior concept engineer (with annual salary up to around US\$135,000 on average), do enjoy a decent salary (Jobted 2023). In China, the myth is even more accepted in the game industry, which is a leading cultural industry in the country, as, for example, Tencent is one of the largest tech companies listed on the Hong Kong market. During the period covered by our research, given the exorbitant growth in the game industry from 2008 to 2021 with market revenue of RMB296.5 billion (around US\$40 billion) (Statista 2023) and the mass hiring of game-related graduates and the acquisition of game productions in Tencent, there was the general impression among interns that game labour is well paid. Based on a national report that tallied the salaries of the game industry in 2019 (Strait.com 2019), the entry-level salary of video game concept artists for characters and settings was around RMB12,000 and those who had 3-5 years of experience could reach RMB 20,000-25,000, which would be considered high by Chinese standards. Nevertheless, there is no assurance that this myth holds for all interns. Considering the prevailing uncertainty and the substantial layoffs in recent times in both global and Chinese tech companies, the myth can be seen as a mutual excuse. It serves as a rationale for interns committed to serving the companies and for the companies that establish temporary working intern contracts.

Interviewees told us that if they started their job at top game companies, such as Tencent and Netease, the monthly basic salary would be over RMB20,000, and many of those we interviewed enjoyed an income of RMB 30,000-40,000. To compare, in the same year in 2020, the average monthly wage of persons employed in urban areas in China was only RMB8,1000 (National Bureau of Statistics 2020). Thus, despite lacking confidence in the job, Chen's starting as an intern concept artist could lead to a promising job with high rewards. Indeed, after concluding her internship, Chen secured a position as a concept video artist for a simulation game (SLG game) in another reputable big tech firm. At that point, she genuinely believed that she had realized the myth. As an affective labourer, Chen used this belief to justify serving as a low-paid video artist during her internship, convincing herself that the value of artistic work could not be purely evaluated by material rewards. This perspective inadvertently provided

capitalists with an opportunity for exploitation and offered Chen herself an excuse for self-exploitation. However, despite her efforts, Chen was terminated after two years when the game market was perceived to be declining. Currently, without a plan to return to these big tech firms, she has landed in a medium-sized game company as a video artist for a casual game, where the salary still does not exceed RMB10,000 per month. Chen's story illustrates that while she briefly enjoyed the taste of a well-paid job, its stability was highly contingent. Once the capitalist market fluctuates, job security becomes precarious. Chen is just one example among many interns who have experienced similar trajectories.

9. State Capitalism at Work

Chen was self-reflective in the process of research. Based on the context she and other interns described, we prompted her to give an ad hoc answer as to why the norm or culture of an internship is well-normalised and internalised in China among the new generation who are in the transitional stage of society, although many interns dismissed the myth of the material guarantee. Based on what they told us, we would argue that there is a structural legitimisation of internships. This construction of internship – as a necessary transitional and liminal stage for students – seems a collusion between the educational system of the state and the corporations in the market. On paper, though, there has been no educational policy documented about and planned for such a constructed period of internship, which is a loose, more relaxed study period for students without much academic work or learning activities.

On the one hand, the design of the entire university system facilitates internships, making it a logical move for this transitional period. In China, the study period of a normal undergraduate student in college or university is four years. The number of academic credits required for students in a Chinese university is the same as those in the Western system. While Chinese universities require, more or less, the same total number of credits (and study hours) for graduation, the two fall and winter semesters in a Chinese university are longer than those of North American universities; each lasts for 18 weeks while in a normal American system, each lasts for 14 weeks. Unique to China, for the undergraduate programme, most of the core courses are compressed into the first three years and can even be packed into two and a half years of study. Then, for the last year, students are required to enrol in only a few courses. In other words, combined with the summer of the third year, students could have a very long period for internships. For a master's programme, a similar arrangement is made. In China, a master's programme lasts for three years. While there is one year of coursework and a thesis requirement toward the end of the study, there is a long period of 'free time' sandwiched between the second and the early part of the third year of study. Masters' students are encouraged to take up an internship in this designated free period. This is not just the arrangement of universities in Beijing. All universities in China operate the same. In other words, the education system constructs a long gap in-between schooling and working, which naturally makes an internship possible and a legitimate choice for students.

One of the interns who worked in the music session of one of these tech giants, Y, in early 2023 mentioned that she was supposed to take courses at the university during that period. Y is more than 30 km from the company workspace, and she was so occupied with the 'job' that she was not able to attend classes at all. Yet, she told us that most of the professors understood the situation and implicitly allowed her absence. The interpretation is that the education system is flexible enough to allow internships to blend with learning, despite the time conflicts. The blending between internship and

schooling however is not facilitated by the teachers. Seldom do teachers assign students to a corporation for internship. College students have already internalised the need for internships, and they would pursue the opportunity on their own. Nevertheless, after a three-month internship is completed, students are awarded a letter of certification with which they can claim the internship credit that is recognised by the university curriculum.

On the other hand, capitalist giants set up a recruitment framework to legitimise the recruitment of interns. The human resource departments generally post their internship ads on a Beijing-based app called Intern (*Shixiseng*), where potential candidates can apply and upload their resumes. The app also serves as a matchmaker for employers and interns. Selected candidates have to go through at least two rounds of interviews to secure an intern position. The whole process – or the ritual of job application – has been structured and formalised so that internship is framed as a necessary and professional stage for a professional. Successful candidates are offered a formal contract as well as a confidentiality agreement, and one of the clauses in the contract specifies that candidates are not allowed to disclose the amount of their salary. However, without being able to determine the exact amounts, we realised that the salaries of interns vary among companies. In some cases, the salary was felt to be acceptable by the interns, and they would also be compensated for their overtime work. But, for some, the salary was minimal, and it could just cover the transportation and living costs. Also, the university system is involved. Because the period of internship overlaps with the four years of the formal curriculum of college or university, interns or students are still compelled to live in the dormitory of their mother college or university (Aienji 2010). While there are students who complain about this, they are also blessed to enjoy the low housing cost that ranges from RMB 1,000-1,500 (US\$ 135-200) per annum (The Paper 2021).

At this point, it is worth mentioning that the cooperation between the education system on behalf of the state and the private capitalists is not on par with the common form of state capitalism that we usually define. The latter, which is seen as a new politico-economic order in Eurasia, often refers to a social or economic system in which the state partakes in and even monopolises economic activities for profit and runs its national enterprises to extract surplus value from production for the state (Spechler, Ahrens and Hoen 2017). However, in our case, we found that the state conspires with capitalism in a different way and for a different purpose. While capitalists take the surplus value out of the labour of the interns, the state mitigates the anxiety of the mostly one-child family students, who often have not been exposed to hardship, to secure what is perhaps the first ‘job’, though low-paid, in their life. As for the strategy, the socialist state does not do all the planning and monitoring, and the educational system reserves the time and curriculum for capitalism to become involved. Capitalists consensually then play a significant role in scaffolding their internship framework. In this sense, capitalism and the education system in China form a symbiotic relationship to shape a more or less universal schema of internship into one that fits well into the college curriculum in China. In the process, the resources provided by the state make it possible for high-tech corporations to begin to extract the surplus value of their staff’s labour before these labourers can legitimately work in society. The consequence of such a formation of ‘state capitalism’ is that the capitalists are invited to participate in a more relevant and longer-term discourse concerning China that aims to tackle the rising discontent of the society by shaping a more stable or ‘harmonious society’ (CMP Staff 2021). Yet, this is different from the previous propaganda and government campaigns, as state capitalism deviates from the hardline authoritarian measures and this can be considered a more ‘advanced’ solution offered by the state. Instead of

suppressing the dissident voices on social media and other public outlets, the state introduces and normalises new preventive measures – in the education system and the workplace – to prevent any potential public outcry. It also presents a positive image of the state and communicates the message that the authorities care and acknowledge the issue of youth employment, and that is why the university curriculum has been adapted to accommodate the needs of university graduates.

10. Conclusion

The paper has discussed the formation of a sub-precarity class – the interns – within internet-based tech corporations. In our study in Beijing, we found that a schema of internship has been set up as a liminal or transitional stage for students between study and work. From the point of view of university or college students, in a highly competitive environment in which their future career and job opportunities are uncertain, they feel obliged to apply and compete for an intern position. In Chinese society, an internship is, in general, regarded as prestigious and another demonstration of a student's ability, other than academic results and rankings of the graduating college. While internship as a stage of in-between learning and working has been normalised in society, the internship system has been further legitimised by corporations which have set up formal procedures for application and operation as well as by the education system that carves out an academic calendar to accommodate the internship. It is an overt case in which capitalists have joined hands with bureaus of the state to create this schema of internship. For capitalists, they offer a temporary position to society in exchange for a higher level of production at moderate additional expense, hence enabling them to further boost their profit. For the state, it manufactures an education system that provides room for internship and, in return, decreases the youth unemployment rate and presents the image of a more stable society by giving confidence to students that they are fully prepared for jobs in future after internship.

Despite the awareness of the precarity of internship, intern labourers seem content with the current situation, tolerate the low wages and temporary arrangement and strive to secure an internship position and even multiple and consecutive positions. They fall into a position in which they are much better off than others but still not able to achieve a reasonable living standard. They are at a point of no return when they discover for themselves that they are now in the higher education system and on the road to joining the capitalists. This is a process that we call involution in which the new generation is induced to accept a period of precarious economy with a nominally paid first job where they struggle to survive and meet their daily needs while dwelling in big cities, rather than engaging in a radical change or revolution. We would argue that tech companies are currently able to construct an 'advanced' mode of work (or internship) in between the immateriality or affective quality of the internship (or their potential real positions) and the materiality of it. In the involution, the process of taking full advantage of these semi-(im)material labourers is at work. The promise of an affective and materially rewarding career is a prepayment to those 'successful' interns who have already reached this level of their studies or careers. Intern labourers receive such an 'advanced' payment, which is a mix of wealth, hope and fame that justifies their current status where they have a limited degree of freedom and earn a relatively low salary. It is such in-between-ness that perpetuates the involution of the new generation while technocapitalism can sustain itself. This explains why tech companies can still exploit intern labourers without their complaint and why they react placidly – and even contentedly – to the exploitation of their work, space and time under this globalising phenomenon.

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