Bridging the Skills Mismatch: An Interest-Free Loan Initiative to Incentivize Corporate Training Programs

Ruixing Shen

WLSA Shanghai Academy,China

Abstract

This article explores the dual challenges faced by the education system in the context of the global labor crisis: the obstruction of international education and the intensification of the disconnection between school education and the demands of the labor market. Political competition has led to changes in Visa and OPT policies, significantly reducing the education opportunities for overseas students. Meanwhile, the educational content in college failed to adapt to the rapid changes driven by technologies such as AI. Rising academic integrity issues have further deteriorated this problem, urging for policy changes. In response to these issues, this paper proposes a policy that incentivizes enterprises to conduct skill training programs through interest-free loans, aiming at integrating education into market demands and bridging the skills gap. Through three independent models, including the skill-training cost model, skill-training benefit model, and company size model, and several common economic concepts such as the AD-AS model, externalities, and the multiplier effect, this paper analyzes the feasibility, advantages, and disadvantages of the policy, concluding that this plan can stimulate employment in the short term and contribute to promoting economic transformation and industry upgrading in the long term. However, its implementation also faces potential risks such as financial pressure and market distortion. The paper argues that educational reform needs to be systematically restructured, and this interest-free loan policy should be integrated with other more sustainable programs in order to support true economic recovery.

Keywords: artificial intelligence, government bond, government intervention, international education, social responsibility