

HUMANS:CONNECTING

WHITE PAPER:

# Helping Governments Navigate AI Disruption Through Human-Centred Public Policy

**Ensuring Communities Thrive Amid AI Disruption**

HUMANS:CONNECTING  
collaborative policy studio  
HUMANSCONNECTING.org

**September 2025**

**Recognising First Nations peoples and cultures is important to us.**

We acknowledge the First Nations people as the traditional custodians of the lands upon which we work and live. We acknowledge and respect their continuing culture and connections to land, water and community. We pay respect to the Elders of the Ngunnawal, Turrbal, Kulin and Gadigal Nations past and present. Always was, always will be.

We acknowledge Māori as tangata whenua and Treaty of Waitangi partners in Aotearoa New Zealand. We pay respects to Māori as the mana whenua of Aotearoa New Zealand.



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# Executive Summary

Artificial intelligence (AI) is transforming workplaces, communities, and economies at unprecedented speed. While AI offers productivity gains, innovation, and efficiency, it also introduces disruption and uncertainty, particularly for the people whose work and daily lives it reshapes.

Governments face a critical challenge: harness AI's benefits while protecting citizens' wellbeing, trust, and social cohesion. Waiting for full clarity on AI's impacts is not an option — proactive, human-centred policies are essential.

This White Paper outlines a framework for governments to respond effectively:

- **Understand the challenge:** AI impacts are uneven and evolving, with workforce displacement and community shifts. Lessons from historical disruptions such as the Global Financial Crisis and the COVID-19 pandemic provide guidance.
- **Human-centred responses:** Fostering belonging, purpose, and social connection can buffer negative effects and support resilient communities.
- **Government action:** Coordinated policies across national, state/territory/provincial, and local levels, grounded in trust and engagement, are key.
- **Practical support:** The **HUMANS:CONNECTING** Collaborative Policy Studio helps governments design adaptive, human-centred policies that strengthen social cohesion and community wellbeing.

## Key Takeaway:

By prioritising trust, social connection, and human purpose alongside economic and technological innovation, governments can ensure AI becomes a catalyst for shared prosperity rather than division — supporting communities in transition.



# Understanding the challenge of AI

Artificial intelligence (AI) is the ability of a digital computer or computer-controlled system to perform tasks commonly associated with intelligent beings. The term is often applied to systems endowed with intellectual processes characteristic of humans, such as reasoning, discovering meaning, generalising, or learning from experience.

The rapid development and deployment of AI presents governments with unique challenges. Policymakers must navigate how to harness productivity gains and other positive outcomes while mitigating potential adverse political, economic, and social impacts.

Numerous analyses explore the implications of AI for labour markets and communities. The International Monetary Fund (IMF) notes that AI “promises to boost productivity and growth, but its impact on economies and societies is uncertain, varying by job roles and sectors, with the potential to amplify disparities.”[1]

Similarly, the Organisation for Economic Co-operation and Development (OECD), in its working paper *The Impact of Artificial Intelligence on Productivity, Distribution and Growth*, highlights both the short-term productivity benefits of AI and the uncertainty of its long-term effects.[2] The OECD also distinguishes between *human-augmenting* and *human-substituting* AI, showing that impacts will vary depending on whether AI works alongside or replaces humans.[3]



[1] Cazzaniga, M. *et al.*, “Gen-AI: Artificial Intelligence and the Future of Work”, IMF Staff Discussion Note SDN2024/001, International Monetary Fund, Washington DC, 2024.

[2] Filippucci, F. *et al.*, “The impact of Artificial Intelligence on productivity, distribution and growth: Key mechanisms, initial evidence and policy challenges”, OECD Artificial Intelligence Papers, No. 15, OECD Publishing, Paris, 2024.

[3] *Ibid.* pg 22.

Further, the OECD notes that productivity gains from AI are unlikely to be evenly distributed, which could heighten inequalities between those who benefit and those who do not.[4]

Analyses from Goldman Sachs indicate that younger professionals, particularly in the technology sector, have already experienced disproportionate job disruption.[5]

**What is clear from these sources is that there are significant unknowns in predicting how AI will reshape workplaces and communities. While the full impacts will become clearer over time, governments do not have the luxury of waiting.**

Public sectors face a dilemma: positioning themselves to take advantage of AI's benefits, while simultaneously supporting the health, wellbeing, and social cohesion of citizens.

The stakes are high. Governments risk ceding competitive edge if they do not engage in and invest in AI-driven technological advancements, whether to:

- Maintain relevance in geopolitical contexts, including defence, intelligence, and security capabilities;
- Establish and maintain robust regulatory frameworks for emerging technologies;
- Deliver government services efficiently and effectively.

All of this must be addressed now, even though the precise political, social, and economic impacts of AI are not yet fully known. Waiting for certainty is not an option.

Governments must thread the public policy needle, creating frameworks that allow AI to deliver benefits while safeguarding citizen rights and wellbeing.

**In this context of uncertainty, policymakers must avoid being swayed solely by fear or by the allure of an endlessly productive future.**

[4] *Ibid.*, pp37-43.

[5] Goldman Sachs, 'How Will AI Affect the Global Workforce?'

<https://www.goldmansachs.com/insights/articles/how-will-ai-affect-the-global-workforce>, accessed 17 August 2025.

# Framing a human-centred response

Working in government demonstrates how easy it is to identify problems but how challenging it is to craft effective policy responses without complete information. Effective public policy is both efficient and impactful, achieving maximum benefit with available resources.

Policymakers must consider a range of macro and micro factors — from national economic implications to individual citizen outcomes.

**HUMANS:CONNECTING recommends returning to the basics when designing policies to support human connection:**

- **Belonging:** All people need to feel seen, heard, and recognised as part of a community.
- **Purpose:** People need a sense of meaning and contribution, often derived from work. Loss of purpose can lead to loneliness, social disconnection, and adverse health and social outcomes.

By focusing efforts on fostering belonging and purpose, governments can soften the negative impacts of AI-related workforce disruption.

**Connection, and our innate human need for it, serves as a buffer** — mitigating the effects of unemployment and uncertainty even when the full scale of disruption is unknown.

**Work gives people identity, belonging, and purpose.  
When work is disrupted, communities feel it too.**

# Lessons from major disruptions

Commentary about the nature of political, social, and economic disruption often refers to the Industrial Revolution. This reference of limited use, as it falls outside living memory.

Other major disruptive events within living memory provide more relevant historical prisms through which to understand potential AI impacts.

Key examples include:

- **China's internal migration (1990s–present):** Millions moved from rural areas to urban centres, reshaping labour markets, cities, and social networks.
- **The collapse of Communism in eastern Europe (late 1980s–early 1990s):** Entire economies and governance systems transitioned rapidly, with significant political, social and economic consequences.
- **The Global Financial Crisis (2008–09):** Economic shocks disrupted employment, housing markets, and social stability, highlighting the importance of safety nets and trust in institutions.
- **COVID-19 pandemic (2020–2023):** Rapid social, economic, and technological shifts tested governments' ability to maintain cohesion, deliver services, and support wellbeing.
- **Global competition for skilled migrants (ongoing):** Countries actively seek talent to fuel economic growth, with policy choices shaping demographic and labour-market outcomes.

Each of these disruptions had significant political, social, and economic impacts and offers insights for navigating AI-related transitions.

Common lessons include the need for **proactive government action, robust social supports, adaptive policy frameworks, and maintaining trust and connection within communities.**



# Who is being impacted

The dynamic and evolving nature of AI means it is difficult to provide a definitive understanding of its effects in real time. Analyses from the OECD and IMF are largely hypothetical, illustrating potential scenarios rather than concrete outcomes.

Real-time reporting provides the best insight into how communities are experiencing AI-related changes. As of September 2025, AI has supplemented roles in sectors including:

- Marketing
- Graphic design
- Call centres
- Office administration
- Technology
- Banking and finance

Some sectors are also experiencing **complementary growth**, hiring more staff as AI enhances productivity. However, this period is likely to be characterised by instability, and communities may experience uneven impacts across industries and regions.

## Consequences for individuals and communities include:

- **Workforce displacement:** Roles lost or significantly altered, affecting purpose, income, and social connections
- **Demographic shifts:** Younger professionals or those in certain sectors disproportionately affected
- **Community disruption:** Local economies, schools, and social networks impacted by changes in employment and population movement

Even with uncertainty, governments can mitigate negative outcomes by prioritising **trust, transparent communication, and social supports**, helping communities navigate transitions and maintain cohesion.



# Consequences of AI disruption for communities

The disruption brought by artificial intelligence extends far beyond the affected workplace. While much attention focuses on job losses or productivity gains, AI will reshape the social and economic fabric of communities in profound ways.

Trust — in government, institutions, and community structures — will play a decisive role in determining the severity of the outcomes.

## Conceptual Consequences

AI has the potential to empower human growth and achievement, freeing people from repetitive tasks and creating opportunities for creativity and innovation.

At the same time, it can trigger existential challenges for individuals and communities, particularly where work provides identity, belonging, and purpose. Large swathes of the population may experience significant changes to daily routines, social networks, and a sense of place.

Trust in institutions will influence whether communities navigate these changes with resilience or experience amplified anxiety and disconnection.

## Practical Consequences

AI-driven disruption will manifest in tangible ways:

- **Family Formation:** Uncertainty about employment stability may influence decisions about having children.
- **Household Finances:** Job loss or underemployment can strain the ability to service mortgages or rents, increasing financial stress and potential displacement.
- **Tax Base:** Shifts in employment patterns could reduce income-tax and ratepayer bases while increasing demand for social support.
- **Population Movements:** People may relocate to more affordable areas, impacting schools and local communities. Confidence in local institutions will be critical to maintaining cohesion.

**Taken together, these and other consequences highlight the need for proactive, transparent, and trustworthy government action to safeguard social cohesion and economic stability.**

# How governments can respond

Governments cannot remain passive in the face of AI-driven disruption.

Unlike the private sector, whose primary responsibility lies in innovation and profit, governments are accountable for the welfare of citizens and the stability of society. Responses must be proactive, grounded in foresight, and designed to maintain trust.

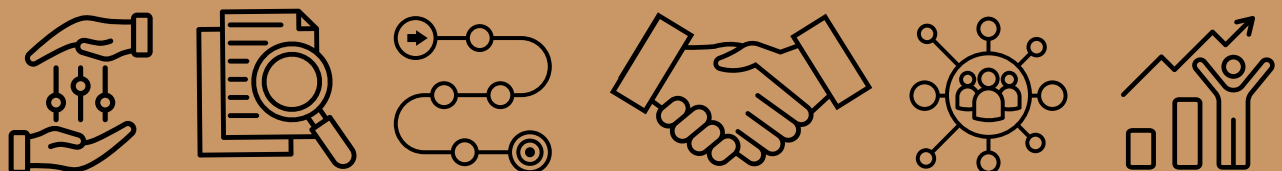
## Core Principles

- **Engage and Consult:** Open communication channels with citizens, industry, unions, and community groups. Transparent, two-way communication builds trust.
- **Recognise Human Needs:** Policies must account for social health, purpose, and belonging. Human needs must be seen to be at least as important as economic security.
- **Collaborate Across Levels:** Coherent policies at national, state/territory/provincial, and local levels reinforce credibility and public confidence.
- **Use Policy Levers with Integrity:** Apply tools consistently and fairly to strengthen citizens' trust.

## Tiered Policy Approach

- **National:** Establish legal and regulatory frameworks; provide income supports such as Universal Basic Income or enhanced unemployment benefits; calibrate immigration settings to continue balancing workforce and family migration needs with social cohesion.
- **State/Territory/Provincial:** Align legal frameworks with national policy; invest in retraining and education programs; ensure health and social services are equipped to support populations experiencing disruption.
- **Local:** Foster community resilience and social connection; provide frontline services that address immediate impacts; act as a trusted partner in helping residents navigate change.

By prioritising **trust, social connection, and human-centred policies**, governments at all levels can ensure AI becomes a catalyst for shared prosperity rather than division.



# The Collaborative Policy Studio is here to help

The **HUMANS:CONNECTING** Collaborative Policy Studio was established by Phil McAuliffe, a former Australian public servant with over 20 years of experience in diplomacy, strategy, and public policy across social, economic, and security portfolios.

Recognising the competing pressures governments face, the Studio provides trusted, expert guidance to help design effective, practical responses that address the challenges of AI-related disruption in communities in transition.

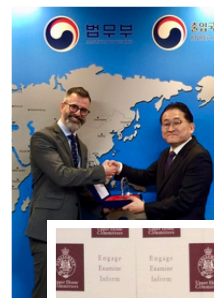
**The Studio works with governments at national, state, territory, provincial, and local levels in Australia and globally to develop policies that strengthen social connection, build trust, and support community wellbeing.**

By combining research, community insights, and policy expertise, the Collaborative Policy Studio helps governments navigate uncertainty, anticipate emerging challenges, and craft responses that protect citizens while harnessing the opportunities AI presents.

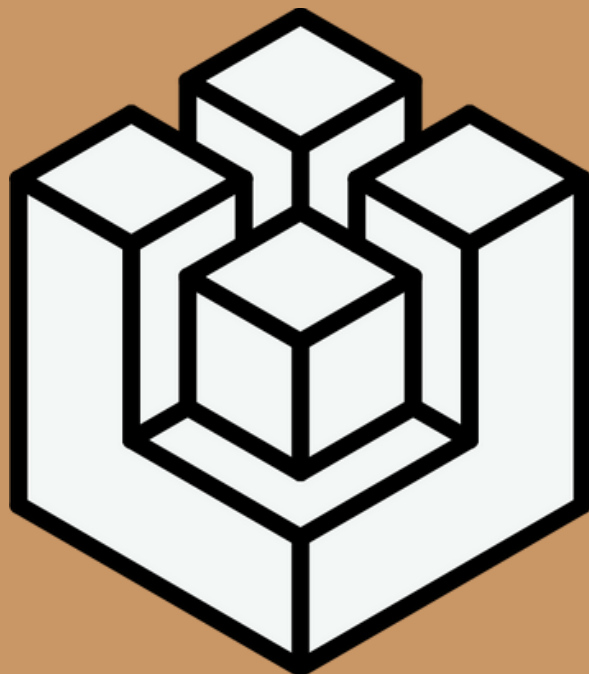
Through collaboration and experimentation, the Studio supports governments to:

- **Understand community impacts:** Identify which groups are most affected by AI-driven transitions and the risks to social cohesion.
- **Design human-centred policies:** Ensure programs foster belonging, purpose, and meaningful contribution, mitigating social disconnection.
- **Build adaptive capacity:** Strengthen government capability to respond proactively, rather than reactively, to ongoing AI-related change.
- **Promote trust and engagement:** Support transparent communication and stakeholder collaboration to maintain confidence in public institutions.

**Engaging the Collaborative Policy Studio empowers governments to respond to AI disruption in ways that are inclusive, forward-looking, and socially responsible. Communities in transition are supported and strengthened rather than left behind.**







# collaborative policy studio

Co-creating public policies to build  
your connected community

**Let's co-create policy that  
balances innovation and  
social wellbeing**



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