

THE NEXT GREAT DIVERGENCE
WHY AI MAY WIDEN INEQUALITY BETWEEN COUNTRIES



AI for the Next Generation of Public Services

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Artificial intelligence can transform public service delivery – across all sectors including healthcare, education, welfare, transportation, and public safety. Machine learning, data analytics, and natural language processing provide promising opportunities to make services more responsive and efficient and improve citizen services. But there are also serious risks, notably of entrenching and deepening inequalities, with most of the benefits going to the more digitally equipped citizens, stranding more vulnerable groups and communities even further behind. This chapter explores the potential dual effects – either creating more efficient, flexible, and inclusive governance and services, or exacerbating structural inequalities both between and within countries.

Background and context

AI has become increasingly widespread in public service delivery and is already reshaping the organizational and operational dynamics of government. AI technologies are being integrated into many sectors, including healthcare, education, welfare administration, transportation management, and public safety. Governments are using AI to streamline bureaucratic processes, automate administrative workflows, and enhance the accessibility and responsiveness of citizen services.¹

The patterns of AI deployment do, however, vary widely across countries and regions, shaped by differences in technological infrastructure, regulatory environments and institutional capacities. The effectiveness and inclusiveness of AI applications will thus vary significantly based on institutional readiness, regulatory safeguards, and the broader digital ecosystem.

Efficiency gains

For many governments in Asia and the Pacific, AI-enabled systems are already being used to automate routine administrative tasks. These systems help support decision-making in public agencies and process applications, verify eligibility for public benefits, and manage digital records more efficiently. By integrating machine learning, data analytics, and natural language processing, such tools are reshaping bureaucratic workflows, enabling more data-driven and streamlined operations and improving the quality of decision-making.

AI also supports the personalization of public services so they are more responsive to citizens' needs, allowing intervention to be tailored to the requirements of diverse social groups. AI-powered chatbots and virtual assistants have been widely adopted in citizen-facing interactions across many countries, offering 24/7 support and alleviating the burden on human service staff.² Based on integrated and continuously updated data profiles, AI systems can make public service delivery more personalized by adapting policies and services to the specific needs of individuals and communities.³

In addition, AI is enhancing risk-monitoring capacities by enabling more dynamic forms of governance through real-time data analysis and pattern recognition. Compared with traditional monitoring mechanisms, AI-powered predictive analytics can provide more timely and granular insights into emerging social, economic, and environmental trends. This strengthens governments' abilities to anticipate potential risks and implement early interventions. In sectors such as healthcare, disaster management and urban planning, AI-driven insights allow for early warning systems, better preparedness, and more targeted policy interventions. AI thus has the potential to fundamentally upgrade the agility and precision of public administration.

Risks of opaque and discriminatory systems

But throughout all these processes there are also substantial risks. One is that of opaque algorithmic decision-making – the "black box" phenomenon – raising

serious concerns about transparency, accountability, and democratic oversight. Citizens and even officials may find it difficult to understand or challenge AI decisions. AI systems trained on historical or biased data can perpetuate or even amplify existing inequalities in service delivery, leading to discriminatory outcomes that will undermine trust in public institutions.⁴

Another concern is the uneven impact across different regions and population groups. AI can exacerbate existing digital divides and create new forms of discrimination – systematically disadvantaging vulnerable or marginalized communities and further deepening social inequalities,⁵ as well as widening inequality between more developed economies and the less developed.

From the perspective of public service delivery, this chapter will analyze the opportunities and risks of AI deployment on inequality – including urban-rural divides, gender disparities, the technological exclusion of aging populations, and gaps in digital literacy. It will also explore inter-country inequalities. Most of the benefits may well be captured by wealthier nations and regions that have advanced digital infrastructure and institutional capacities. The chapter will highlight how AI uptake across the Asia-Pacific region is likely to be shaped by structural differences in fiscal space, institutional readiness, and digital infrastructure.

Finally, the chapter will explore how to maximize the inclusive potential of AI – identifying the most effective institutional arrangements, regulatory frameworks, and accountability mechanisms that mitigate risks such as bias and exclusion, while promoting AI's positive contributions to inclusive development. This includes examining normative frameworks for ethical AI use in the public sector, mechanisms for citizen participation in algorithmic decision-making, and dynamic regulatory strategies aligned with technological change. The chapter uses case studies that illustrate how AI is reshaping public service delivery in the region, and how policymaking can achieve more inclusive and equitable public services.

AI involves not just a technological shift but a fundamental rethinking in governance structures. The following discussion explores the impact of AI in two key areas: reshaping governance concepts and enhancing governance capabilities on the one side, and the ethical challenges and social inequality effects on the other side.

Promise of AI for public services

Impact on government bureaucracy

Traditional bureaucratic systems have hierarchical structures and formalized procedures and focus on predictability and stability.⁶ While efficient in their own right, they can, however, often become encumbered by rigid hierarchies and slow decision-making processes.

AI enables governments to bypass the traditional hierarchical bottlenecks using human-led algorithmic authority guided by large datasets and predictive analytics.⁷ AI systems offer real-time insights and opportunities for quicker, more informed decisions that are more flexible and precise and aligned with current realities.

Data-driven governance

AI can collect and analyze vast amounts of data that enable governments to understand societal needs and respond to them with unprecedented speed and precision. AI can also monitor policy performance dynamically, forecast emerging challenges, and optimize resource allocation to prioritize urgent issues. The result could be faster and more evidence-based decisions and more proactive, and precisely tailored policy interventions.

In Singapore, for example, the Ministry of Health uses AI-powered analytics to monitor infectious disease outbreaks and tailor rapid public health interventions. In megacities in China, such as Shanghai and Shenzhen, smart city initiatives employ AI to optimize traffic flow and enhance urban management.

However, if such activities are to be inclusive, transparent, and accountable they will need to be grounded in sound governance frameworks and be using high-quality data. In countries with more limited digital soft and hard infrastructure such as Cambodia, pilot projects are using AI-powered mobile platforms for agricultural extension services though these efforts face significant infrastructural and capacity challenges.

AI is redefining governance

AI is redefining governance across three interconnected spheres: internal administrative efficiency, data-driven policy formulation, and transformative public service delivery. For administration, AI can automate repetitive and time-consuming tasks, and thereby increase efficiency and reduce human error. AI-driven task management systems can automate scheduling, generate reports, and send reminders, freeing up human resources to focus on more complex and strategic activities. In medicine, for example, doctors save time on clinical documentation by automating appointment scheduling, billing coding, and clinical documentation freeing them to focus more on patient care. This automation not only improves productivity but also ensures greater consistency and accuracy.

Singapore has been a pioneer in leveraging AI for governance and public service delivery. In 2019, the Government launched its National AI Strategy, aiming to deploy solutions across key sectors by 2030.⁸ The strategy focuses on five critical ecosystem enablers:

- ***Trustworthy AI*** – Establishing robust governance frameworks and ethical guidelines.
- ***Talent*** – Investing in AI workers through specialized training programs and partnerships with educational institutions.
- ***Collaboration for innovation*** – Driving close cooperation between government, industry, and academia.
- ***Data infrastructure*** – Creating a robust foundation for AI applications.

- ***Global engagement*** – Participating in global AI initiatives to stay at the forefront of technological advancements.

An important achievement in Singapore is the Moments of Life platform which integrates 15 cross-agency services, including birth registration and childcare subsidies. In less than 15 minutes, new parents now complete paperwork that previously took two hours, reducing administrative time by 70 percent. Another success is the OneService chatbot which handles more than 500,000 queries annually on issues ranging from noise complaints to road repairs. Through automation, query resolution efficiency has improved by 50 percent, with 90 percent of cases addressed within 48 hours.

Another example is Viet Nam's National Strategy on Research, Development, and Application of Artificial Intelligence, launched in 2021. Aiming to integrate AI into socioeconomic development it fosters innovation and competitiveness and positions the country as a regional leader in AI. Key objectives include advancing AI research, developing robust digital infrastructure, and reforming education for training a skilled workforce. This should enhance efficiency, productivity, and decision-making in priority sectors such as healthcare, agriculture, education, smart cities, and national security. The strategy emphasizes ethical practices, risk management, and establishing legal frameworks to ensure responsible use. Between 2022 and 2023, Viet Nam's ranking in the AI Readiness Index, jumped from 55 to 39 – No. 4 in ASEAN. In 2024, Viet Nam issued the National Data Law, mandating data sharing between government bodies and enterprises.

Policy and action driven by data

AI models can analyze large datasets to forecast demand and optimize resource distribution. In IT infrastructure management, for example, AI can predict system performance and allocate resources dynamically to where they are needed most. This reduces costs as real-time data analysis improves system performance and enables quick and informed decision-making.

In Thailand, the convergence of advanced machine-learning algorithms, robust digital infrastructure, and a progressive healthcare ecosystem is creating unprecedented opportunities for AI-driven medical solutions for patient care, diagnostic processes, and operational efficiency.⁹ Applications include diagnostic systems for rural areas and AI-driven solutions to optimize resource allocations for marginalized communities. Key applications include automated X-ray and CT scan analysis, predictive risk assessment for potential malignancies, and comparative image recognition for tracking disease progression. Between 2021 and 2026, Thailand's digital health market is projected to grow at a compound annual rate of 15 percent, with artificial intelligence playing a pivotal role in this expansion.

Two key ministries for AI innovation in Thailand are the Ministry of Digital Economy and Society and the Electronic Transactions Development Agency – which have launched six projects to accelerate AI adoption. In 2022, the Government launched the AI Governance Clinic which provides governance toolkits, interdisciplinary fellowships, and executive training to operationalize UNESCO's AI ethics principles, emphasizing transparency and risk mitigation.

In China, on the other hand, cities are at the forefront of piloting innovative solutions for more effective public services delivery. The city of Shenzhen has embraced AI for several critical systems:

- **Environmental monitoring** – AI systems track air and water quality in real time to quickly identify pollution sources, enabling authorities to take prompt corrective action.
- **Public safety** – Shenzhen is one of the most monitored cities in China. Over 300,000 CCTV cameras are equipped with AI capabilities for facial recognition. This enables behavior analysis, and anomaly detection with real-time identification of suspects. At the same time crime rates have fallen and overall security has improved with a 15 percent decline in certain criminal activities since 2018.

- **Emergency response** – AI algorithms analyze data from social media, sensor networks, and surveillance feeds to detect emergencies such as fires, flooding, or crowd surges. Since 2021, an AI-based early warning system for urban disasters has decreased average response times by 25 percent.

Smart city initiatives

AI can enhance urban governance and quality of life by integrating technologies across key sectors. In transportation and urban planning, for example, AI can facilitate smart traffic management that analyzes data in real time to reduce congestion, cut emissions, and boost public transit efficiency. Similarly, predictive policing models – when designed ethically – help law enforcement address biases in traditional methods and deploy resources more strategically to prevent crime. AI also offers opportunities for more precise environmental monitoring, processing satellite imagery and sensor data to forecast natural disasters, track deforestation, and optimize energy use in smart grids. Such applications not only improve public safety but also foster sustainable urban development.

Pacific Island opportunities

The Pacific Islands confront unique challenges – including geographic isolation, climate vulnerability, and resource constraints. For these states, AI offers transformative opportunities for sustainable development. By leveraging early warning systems and climate modelling, AI enhances disaster preparedness, while precision agriculture and fisheries-monitoring tools improve resource management. Beyond resilience, AI bridges geographical barriers through telemedicine and education, while tools for local language preservation and economic empowerment enable local communities to drive inclusive growth.

Vanuatu – AI is analyzing satellite imagery to track rising sea levels and flooding risks to inform infrastructure planning and early interventions.

Papua New Guinea – In regions with few specialists, AI-powered telemedicine platforms are enabling remote diagnostics, such as interpreting X-rays or detecting skin conditions.

Fiji – AI is being used to strengthen disaster response and recovery and reduce vulnerability to natural disasters. A notable collaboration is between the United Nations Capital Development Fund and the AI tech company Tractable. This has two key programs. One is a Smartphone App for Disaster Reporting which residents can use to report property damage, accelerating emergency assessments and the support needed. This is combined with AI Damage Assessment through which algorithms analyze images and data to evaluate damage and streamline the allocation of aid.

Risks and costs – disruption and exclusion

When leveraged appropriately, AI can enhance administrative efficiency and streamline processes. However, improper use may increase administrative costs and heighten social risks. AI does not operate in a homogeneous space but within uneven social, economic, and technological landscapes. Structural inequalities within countries – such as urban-rural divides, gender disparities, the exclusion of aging populations, and gaps in digital access and literacy – will shape how different population groups access and benefit from AI-enabled public services.

As AI becomes increasingly embedded in healthcare, education, and social welfare, there is a danger of excluding many citizens. Low-income groups, rural residents, and marginalized communities may have limited digital infrastructure, low digital literacy, and insufficient access to necessary technologies, thus being unable to benefit from AI-driven services. In healthcare, for example, rural areas may not have the advanced AI-powered diagnostics available in urban centers.

On the supply side, spatial disparities in infrastructure and investment often result in limited AI deployment in rural or underserved regions. Rural areas often

suffer from incomplete data and unstable connectivity, rendering algorithms ineffective. They are likely to have slower response speed, lower service quality, and less personalization, widening the gaps between urban and rural areas. At the same time, institutional blind spots – such as the lack of gender-sensitive data or inclusive service design – can embed bias into algorithmic systems.¹⁰

There are also problems on the demand side – notably with aging populations and citizens with low digital literacy. They find it difficult to navigate AI-based services so risk being excluded from public benefits. In some cases, these issues are exacerbated by the way technology is designed and applied.

Algorithmic bias

AI systems can be prone to algorithmic biases that perpetuate social inequalities. In addition, the historical data used to train AI models is likely to embody societal prejudices. This will perpetuate and even amplify discrimination particularly in sensitive areas such as employment, lending, and criminal justice.

In 2022, an algorithm used to detect welfare fraud in the United Kingdom erroneously flagged dozens of Bulgarians, raising concerns over potential nationality-based bias.¹¹ Although the authorities stated that the algorithm does not take nationality into account, no one can say with certainty how it processes and balances the data it receives. Such cases demonstrate how AI-driven systems can skew resource allocations.

The ‘black box’ problem

AI often uses complex and opaque machine-learning algorithms operating within a ‘black box’ whose processes are hidden or incomprehensible, even to developers. This lack of transparency undermines public trust, particularly when AI is applied in sensitive areas such as social welfare, law enforcement, or healthcare. Overdependence on AI will reduce the scope for human judgment and discretion which is often essential in complex or sensitive contexts. Without

clear explanations of how AI arrives at its decisions, citizens will feel excluded and doubt the fairness and legitimacy of outcomes.

The algorithmic illiterate

Effective access to AI-powered public services depends not only on hardware and the availability of internet services, but also on users' ability to understand and operate these technologies. Individuals with limited education, non-technical backgrounds, or language barriers often struggle to navigate interfaces, comprehend algorithmic logic, or respond to system errors. AI-driven systems frequently use standardized processes that lack explanatory mechanisms or human-centered support – raising the threshold for participation in subtle ways, and excluding certain groups from full participation in the digital world.

For example, in Malaysia after AI systems were introduced for social security, many low-income users, especially in Sabah and Sarawak, struggled to apply for unemployment benefits due to unfamiliarity with the system's language and operations.¹² Thai AI-assisted educational platforms similarly faced adoption barriers as digitally illiterate parents were unable to register their children, exacerbating educational disparities between urban and rural students.¹³ Experience from Bangladesh showed that while AI platforms offer precision farming advice, many farmers could not interpret the data and rely on word-of-mouth communication, resulting in “reverse digital exclusion.”¹⁴

These examples showcase the multiple governance risks stemming from the integration of AI into public services. Algorithm design must go beyond merely avoiding negative biases against specific groups. It should proactively identify and address the unique challenges and needs these groups face, ensuring that they receive tangible support and opportunities.

Rural populations left behind

Technology systems are primarily introduced in urban and economically developed areas, while rural

and underdeveloped regions are often left behind. This can contribute to inequalities in public service access, particularly in healthcare and social welfare sectors. These disparities are often rooted in structural deficiencies in data infrastructure, technical expertise, and governance capacity in rural regions, highlighting the importance of thorough assessments of local conditions and capacities to fully leverage AI's potential.

Since 2023, under the “smart healthcare” policy, advanced Chinese cities like Hangzhou, Shanghai, and Beijing have been piloting AI based diagnostic imaging systems.¹⁵ These cities benefit from high-quality digital infrastructure and fixed line broadband speeds often exceeding 220 Mbps, with internet penetration rates around 85 percent. In contrast, many rural areas, especially in western provinces such as Gansu or Yunnan, have average broadband speeds under 50 Mbps and penetration rates below 65 percent. With limited specialist staff they continue to rely on traditional diagnostic methods.¹⁶

The Indian Aadhaar national biometric system provides a unified digital identity for all citizens. This uses AI to verify identities, detect fraud, and ensure targeted disbursement of Direct Benefit Transfers. However, its rollout has highlighted risks around authentication failures. During the early years, this was particularly the case for vulnerable and remote communities, leading to delay or denials of benefits. This effect is termed the “automation of exclusion.”

Gender inequality: algorithmic bias and institutional blind spots

While AI systems in public services may appear gender-neutral, the training data and institutional logic they rely on often embed gender biases. According to one survey in 2025 of ten countries, including Singapore and Australia, only 28 percent of people were aware of gender bias in AI, yet once informed, 51 percent expressed concern, and 66 percent believed governments should regulate AI to ensure gender fairness. Rural and low-income groups in particular are under-represented in digital

records, leading algorithms to misclassify their eligibility for services.

India – AI systems used in public administration associate service access with the identity of the officially registered household head, who is frequently male – reinforcing existing gender hierarchies and reducing the visibility of women’s needs. In India, many women lack independent accounts or official identification, making them reliant on male family members to access Aadhaar-linked benefits.

Indonesia – AI-powered health prediction systems often fail to identify women as service recipients due to lack of mobile phone skills or online records, weakening maternal health monitoring – especially in rural areas.²⁰

Viet Nam – AI-based job matching systems tend to recommend technical roles to male users while guiding women toward traditional low-paid jobs, reflecting algorithmic reinforcement of gender roles and limiting women’s access to public service and development opportunities.²¹

Moreover, design blind spots and the lack of women-centered features – such as prenatal healthcare, gender-based violence alerts, and employment support for women – lead to implicit discrimination in service provision

Elderly exclusion – the forgotten generation

Elderly populations are frequently ‘technologically forgotten’. Older adults may encounter significant barriers due to a lack of devices, unfamiliar interfaces, limited digital skills, lack of digital confidence or cognitive decline. System designers often fail to ensure interface accessibility, navigation simplicity, and language comprehension for older users who may thus miss healthcare monitoring and appointments or find it difficult to make pension applications.

In Japan, for example, despite advanced AI-based eldercare robots and health systems, many elderly citizens, especially those living alone, resist using technology and miss online consultations and medicine delivery.²² The Korean Government’s AI-enabled public

service app has a low adoption rate among elderly citizens, who face challenges registering online, leading to pension delays and failed welfare applications.²³ Singapore’s GovTech promotes paperless and AI-verified services, but many seniors struggle with language and digital literacy, relying on family members for assistance, thus compromising service autonomy and privacy.²⁴

Creating ‘digital ornaments’

Adopting AI involves substantial financial investment and puts new demands or burdens on frontline personnel and on citizens.²⁵ Governments attracted by digitalization can fall into an ‘administrative efficiency paradox,’ where frontline workers are burdened with excessive digital documentation requirements – such as frequent photo submissions or redundant data entry. As a result, rather than boosting productivity AI systems can become ineffective ‘digital ornaments’.²⁶ And the benefits of existing AI applications often remain limited and difficult to quantify.

China’s digital government initiative provides a cautionary example. A 2017 inspection report by the General Office of the State Council revealed that 20 percent of government service platforms suffered from search function failures, and that some platforms that were misaligned with real-world needs were ultimately abandoned.²⁷ One province invested in AI-powered government service centers, but this only involved the addition of superficial AI interfaces, leaving the core administrative processes and governance mechanisms largely unchanged. Large AI models can become mere expensive showcases that fail to deliver meaningful improvements in public service efficiency.²⁸

Social welfare crises due to AI decision-making errors

Beyond increasing administrative burdens and reducing governance efficiency, AI deployment in public services can result in decision-making failures that jeopardize social welfare.

In 2016, due to flawed algorithmic modelling an automated debt recovery system in Australia erroneously assessed the incomes of nearly 500,000 welfare recipients. The resulting mass debt recovery campaign triggered public outrage and legal disputes.²⁹ A Royal Commission later described this as a “catastrophic failure of public administration”.³⁰ In 2021, the Ethics Committee, the leading professional association for the technology community, concluded that Robodebt illustrates how an algorithmically correct calculation can nevertheless be “unfair and illegal if it is applied without due consideration of errors that can arise and without appropriate human intervention.”³¹ Such design flaws which cause significant harm to social welfare can require expensive corrective measures and erode public trust.

Privacy violations

Another risk in AI-driven public services is that of data privacy breaches. Facial recognition- systems, while enhancing efficiency and reducing the need for manual verification, have sparked public controversy over biometric data collection.³² The extensive collection of sensitive data without due attention to security and legitimacy can lead to public outrage, posing significant reputational and governance risks.

In October 2019, a lawsuit was filed in China against a wildlife park in Hangzhou (Zhejiang Province) for mandating facial recognition authentication for entry. This marked China's first legal challenge against facial-recognition technology.³³

In 2021, the Government of the Republic of Korea transferred approximately 170 million facial images of citizens and foreigners to a private company for AI-based immigration screening. This move prompted constitutional litigation by civil rights groups, alleging violations of fundamental rights.³⁴

System breaches threaten national security

Beyond privacy concerns, the concentration of vast amounts of public data within government platforms can

present risks to national security. Centralized data storage and open-source codebases significantly increase the risk of unauthorized access by foreign malicious actors, raising serious data and national security concerns.³⁵ It has been estimated that by 2027, over 40 percent of AI-related data breaches will stem from the cross-border misuse of generative AI.³⁶ Without robust safeguards, the use of AI systems in public services heightens exposure to cyberattacks, placing both private and public data at substantial risk.

Policy options and frameworks

While some regions and individuals may experience economic growth and better public services as a result of AI, others may face job displacement, heightened surveillance, or unequal treatment by automated systems. To address these challenges, governments will need targeted policies – investing in the necessary digital infrastructure, enhancing digital literacy, and implementing safeguards against algorithmic bias.

Public officials and staff will need to be aware of these dangers – and equipped to recognize potential biases and errors. They should be able to intervene appropriately and be able to develop standards for interpreting AI -driven decisions, present clear explanations of algorithmic processes, and enable independent audits. AI systems thus need to be designed carefully to enable clear oversight, and ethical governance and sustain fairness, inclusivity and public trust. Governments should protect citizens against unintended harms, uphold ethical standards, and ensure that AI-driven public services remain fair, accountable, and trustworthy.

Ensuring that AI -driven public services operate inclusively and sustainably requires a structured, multi-layered approach. This section presents six interconnected policy recommendations that form a progressive pathway for action – from the foundational level of digital infrastructure to the broader horizon of international cooperation (Table 1)

Table 1 – Framework for inclusive public service transformation

Pillar	Focus	Policy Action
1. Foundational	Infrastructure	Digital access for marginalized groups
2. Data	Governance	Data security and privacy mechanisms
3. Algorithm	Ethics	Pre-, mid-, and post- ethical review mechanisms
4. Application	Optimization	Service efficiency through tech and organizational integration
5. Digital literacy	Empowerment	Targeted training for women, the elderly, and low-income groups
6. International cooperation	Regional collaboration	Mutual assistance and collective governance

1. Digital access for marginalized groups

Digital access strategies should focus on underserved and marginalized groups. Some countries have integrated digital equity goals into national development frameworks, recognizing connectivity as a key enabler of social and economic inclusion.³⁷

- **Extend core digital infrastructure to underdeveloped or remote areas** – Australia’s National Broadband Network (NBN) and its Mobile Black Spot program, for example, aim to extend high-speed internet and mobile coverage to underserved communities.³⁸ Similarly, India’s BharatNet initiative is building optical fiber networks in over 250,000 rural villages.³⁹
- **Identify digitally vulnerable groups** – Census and social data can be used to identify digitally excluded groups. In the Republic of Korea, for example, the digital inclusion policy includes targeted diagnostics and surveys to assess the needs of the elderly, for example, people with disabilities, and low-income populations. This enables tailored interventions and the efficient allocation of digital support resources.⁴⁰

- **Promote community-based digital access** – In Singapore, the Digital Access Program provides low-income families with subsidized broadband and devices, while also offering in-home digital literacy support through community partners.⁴¹ Similarly, Australia’s Be Connected initiative targets seniors with free digital skills training via libraries and community centers.⁴² Inspired by these models, we propose establishing free-access “digital corners” in public venues such as libraries, community centers, or rural service hubs.
- **Establishing evaluation and monitoring mechanisms** – In the Republic of Korea, for example, the Digital Divide Index offers annual, data-driven assessments of regional and group-level disparities in digital access and capabilities.⁴³

2. Data security and privacy mechanisms

Systems for data security privacy should be tiered, transparent, and controllable and address the unique vulnerabilities of at-risk populations, including rural women, children, and marginalized communities.

- ***Building a risk-based system*** – Data should be classified and protected according to type, usage scenarios, and level of sensitivity. Data collection should adhere to principles of legality, necessity, and minimization, with explicit approval required for third-party sharing after national security review and citizen authorization. Unnecessary data should be removed using a mechanism for dynamic deletion. Stricter collection, transmission, and storage standards must be applied for high-risk data such as biometrics.⁴⁴
- ***Developing a citizen data management platform*** – People and organizations should be informed when the government holds data on them and be in a position to verify this.⁴⁵ In Singapore, for example, the MyInfo platform clearly displays the requester and users of data and triggers anomaly alerts for unauthorized or abnormal data activities.⁴⁶

3. Ethical review mechanisms

This process should take place in three stages:

- ***Pre-application*** – assessing social impact and ethical risks – The potential social impact must be carefully designed with attention to fairness, safety, transparency, and controllability and taking into account the differentiated impacts on vulnerable groups.⁴⁷
- ***Mid-application – strengthening dynamic monitoring and human intervention*** – Detect and respond to unintended outcomes or deviations from policy objectives.⁴⁸ Public service personnel must oversee automated decisions, intervene where necessary, and support citizens in understanding and contesting decisions that affect them.
- ***Post-application*** – improving dispute resolution and clarifying accountability – Accessible and transparent grievance mechanisms should address concerns or complaints. Clear lines of responsibility must be defined to ensure corrective action, and lessons learned.

4. Building integrated systems

Public service efficiency should be enhanced through technology adaptation, organizational coordination, and service optimization.

- ***Integrate resources and technologies*** – Governments should integrate services and clarify departmental responsibilities to ensure transparent, traceable operations.⁴⁹ This can include unified citizen information platforms for secure data sharing that reduce the demand for repetitive data submissions.
- ***Remove systemic challenges*** – Based on grassroots research and public consultations, government should identify key administrative ‘systemic challenges’, or problem parts of the process, and deploy technologies that reduce burdens on public servants and citizens. A real-time feedback system should monitor the performance of technologies and prevent deviation from intended goals.
- ***Build human-centered services*** – To lower barriers for diverse groups and improve the overall user experience, digital service interfaces should be based on user-centric design principles. These include larger font sizes, simplified operational flows, dialect-based voice recognition, and visual process guidance

5. Digital literacy

Inclusive empowerment through AI capacity training

- ***Training courses for citizen groups*** – For the elderly, courses can cover, for example, mobile payments, online healthcare, and fraud prevention. For women, they can address career upskilling on e-commerce, remote work, and AI-assisted tools. And for low-income groups and digital public services can offer online job platforms and access to social protection. Beyond basic digital literacy, courses should cover AI-specific awareness – on how the technology works, and limitations and bias, misuse, and privacy risks – as well as on how it can be used in everyday life – to support writing, translation, or education.

- **Capacity building for public officers** – Such programs should be institutionalized, scaled, and tailored to different levels of decision-making – policy, technical, and implementation. In Singapore, for example, the Smart Nation Scholarship and Digital Academy is training over 20,000 officers in areas including algorithmic thinking and AI ethics.⁵⁰ Similar efforts are emerging in India and the Republic of Korea, often supported by partnerships with universities or international organizations.⁵¹
- **Community-based training** – Grassroots organizations, NGOs, universities, and volunteers should be mobilized to deliver multi-tiered training programs through public libraries, digital learning centers, and mobile teaching units. These can include digital mutual aid networks – local peer support schemes – such as India’s internet Saathi program, where trained rural women volunteers teach digital skills to others in their communities.⁵² Similarly, Kerala’s Akshaya grassroots centers provide computer literacy training to villagers.⁵³ Learning can be extended and personalized using AI-driven tools such as chatbots or virtual tutors.
- **Incentive mechanisms** – Uptake among marginalized populations can be boosted by digital learning incentives, certificates linked to employment databases, and subsidized access to devices and data plans. In India’s PMGDISHA initiative, for example, digital training for rural citizens is coupled with certification and job facilitation support.⁵⁴
- **Clear institutional frameworks** – In collaboration with local authorities, academia, and civil society, central governments should design national frameworks for digital and AI literacy – with learning objectives for each group – citizens, frontline workers, and managers– and cover delivery methods, assessment systems, and institutional responsibilities along with monitoring measures for learning impact.

6. Stronger international cooperation

Enhancing regional cooperation mechanisms for public service transformation.

- **AI for public services** – Asia-Pacific countries should build on existing mechanisms such as the ASEAN Digital Masterplan 2025, the APEC Digital Economy Roadmap, and trilateral dialogues among Japan, Republic of Korea, and China, by establishing a dedicated AI for Public Services stream. This should focus on concrete service domains – such as healthcare triage, digital identity, disaster response, and social protection - and culminate in toolkits and pilot projects. These collaborations, led by rotating digital governance agencies, should include biannual exchanges, repository development, and coordinated outputs such as an annual Regional AI-Governance Report.⁵⁵
- **A civil servant twinning program** – To address governance capacity disparities, a public sector AI twinning program should be established, pairing civil servants from developing countries with counterparts in advanced digital governments such as Australia, Japan, and Republic of Korea. Each cohort would codevelop and deploy simple, functional AI tools – such as eligibility screening algorithms or chatbot based grievance systems. Fellows would also complete practical training modules on AI ethics, risk mitigation, and evaluation. These would sustain a use case driven and peer supported model of skill development.⁵⁶
- **Regional financing of digital Infrastructure** – The Asian Development Bank (ADB) and the Asian Infrastructure Investment Bank should create channels for financing AI-ready digital public infrastructure. This should prioritize interoperability, accessible application processing interfaces, and algorithmic transparency – in health data registries, for example, education databases, and social service portals. Financing should require measurable public service outcomes and offer co-financing incentives to ensure national

ownership. One useful model is the 2023 ADB loan to support Indonesia’s digital transformation.⁵⁷

- **Regional observatory for AI risks in public services** – An observatory should be created under APEC or UNESCAP to collect anonymized data on AI-related public service risks such as algorithmic exclusion, systemic bias, and data misuse. Based on national submissions, the observatory would issue annual guidance, maintain a shared mitigation library, and support institutional audits. One example that covers pre-deployment impact reviews and post-deployment accountability protocols is South Australia’s AI strategy.⁵⁸

- **Aligning with global governance frameworks** – To ensure mutual learning and inclusive rule-making, Asia-Pacific initiatives should be coordinated through APEC or ASEAN and aligned with global efforts such as UNESCO’s AI Ethics Recommendation and the UN Global Digital Compact.⁵⁹

AI policy stands at a crossroads: one path leads to unchecked inequality and destabilization, the other to inclusive prosperity. By integrating reskilling, ethical governance, global solidarity, and green innovation, policymakers can harness AI’s potential while safeguarding societal well-being. The challenge is not merely technical but also profoundly political – requiring a reimagining of cooperation in a polarized world.⁶⁰

END NOTES

1. (van Noordt and Misuraca, 2022; Madan and Ashok, 2023)
2. (Maragno et al., 2023)
3. (Meijer, Lorenz and Wessels, 2021)
4. (Busuioc, 2021)
5. (Wang, Xiao and Liang, 2024)
6. (Weber, 1968)
7. Algorithmic authority refers to legitimate power of algorithms, as AI tools play a significant role in decision-making.
8. (Singapore Government, 2023)
9. (AI Thailand, 2023)
10. (Vatamanu and Tofan, 2025)
11. (Stacey, 2023)
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