



COUNTERING A.I. JOB DISPLACEMENT THROUGH NEW CITIES

WHITE PAPER



NewCityPioneers.Org



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EXECUTIVE SUMMARY

Artificial intelligence (AI) is reshaping industries, threatening millions of jobs, and intensifying challenges in overcrowded urban areas. By building cities in rural areas, we can redistribute populations, alleviate urban strain, and create entirely

new demand for human-required jobs (HRJs). Designed to integrate both high-tech industries and HRJs, new cities can be built to foster innovation while also cultivating a service-driven economy. Opportunities in construction, urban planning, education, healthcare, and infrastructure will also drive secondary demand for businesses like grocery stores, restaurants, childcare, and more. New cities offer a sustainable solution to AI-driven job displacement, creating resilient and human-centered communities.



INTRODUCTION

ARTIFICIAL INTELLIGENCE IS TRANSFORMING THE global economy, offering unprecedented efficiency and innovation but also posing significant risks to job security for millions of workers. Automation is rapidly reshaping industries such as manufacturing, transportation, customer service, and even creative fields like design and content creation, where A.I. is faster and cheaper than human work. According to the McKinsey Global Institute, up to 30% of job activities in the U.S. could be automated by 2030.¹

While A.I.-driven innovation promotes economic growth, its uneven effects can worsen existing challenges in urban centers. Major cities, already grappling with overcrowding, rising housing costs, and infrastructure strain, are ill-equipped to absorb the workforce displaced by automation. The drastic reduction or outright loss of wages for many workers threatens to inflict severe financial stress on families, weaken the social fabric of communities, and intensify inequality and instability across society.²

Still, there is hope. Many jobs remain resistant to automation. For instance, while A.I. may change certain aspects of how a dentist works, it won't replace the need for a human dentist anytime soon. Thousands of such A.I.-resilient vocations exist. The challenge lies in creating sufficient demand for these roles to offset the job losses driven by A.I.

New cities present a compelling answer to that challenge. By strategically building cities from the ground up in underutilized rural areas, we can redistribute the population in order to create new demand for human-focused work. These cities offer the opportunity to address the labor impacts of A.I. while enhancing overall quality of life, fostering resilience, and driving sustainable economic growth.



HOW WILL NEW CITIES HELP?



RELIEVING PRESSURE ON EXISTING URBAN CENTERS

New cities provide a way to redistribute population from overcrowded urban centers to underutilized rural areas without negatively impacting the economies of existing cities. Many urban professionals are already overburdened by the extreme population density in their areas. This can make it hard or costly for customers to access basic services. It also means businesses will not suffer when clients relocate.³

CREATING NEW DEMAND FOR HUMAN- REQUIRED JOBS

The establishment of new cities located many miles from existing urban areas generates new communities that center on human-required jobs, including doctors, electricians, florists, chefs, teachers, social workers, librarians, and the like. Not only do these roles require a human, but they are *localized*, meaning they cannot be performed by remote workers. New cities have the



added benefit of addressing unmet needs in surrounding rural areas, where access to essential services has historically been limited.

New cities will also create human opportunities through the redistribution of certain populations. For example, new cities

are uniquely positioned to attract senior residents seeking affordable, accessible, and vibrant communities. This demographic shift will drive demand for eldercare workers, including home health aides, nurses, and community service providers who deliver personalized care and support.

HUMAN REQUIRED JOBS

Human Required Jobs (HRJs) tend to be localized service roles—vocations centered around providing a service to the community in which they are based. Not only are they difficult for an A.I. to perform, but they are difficult or impossible to perform remotely. This contrasts with many white-collar jobs, and it is why creating new communities will also create entirely new demand for these services.

In addition to those already mentioned, some HRJs include: Police officers, firefighters, construction workers, mechanics, waiters and waitresses, judges, lawyers, clergy members, farmers, event planners, barbers and stylists, veterinarians, therapists, childcare providers, eldercare workers, landscapers, tailors, retail staff, park rangers, and many others.

NEW JOBS IN CONSTRUCTION AND ENGINEERING

Building new cities in all 50 states will also create hundreds of thousands of new human-focused jobs in construction, engineering, and infrastructure development. Architects, construction workers, and urban planners will be indispensable in designing and implementing these projects. Beyond initial construction, maintaining and upgrading infrastructure will continue to provide jobs for decades, ensuring long-term employment opportunities in this sector.



DESIGNING CITIES WITH MODERN WORKERS IN MIND

New cities are uniquely positioned to develop infrastructure that aligns with the needs of human workers. High-speed internet,

smart energy grids, and advanced transportation systems form the backbone of these urban areas, and they can be built to prioritize responsible integration of A.I. that ensures optimization of resources without displacing human labor. The cities will be smart-cities *and* human cities—the two are not mutually exclusive.

INTEGRATING HIGH-TECH INDUSTRIES WITH HUMAN-FOCUSED GROWTH

While human-focused roles are prioritized, new cities can also attract high-tech industries. By fostering partnerships with universities and tech companies, these cities can establish innovation hubs that drive technological advancements. The synergy between high-tech workers and human-focused roles creates modern, diversified economies, where each sector supports the other. For example, the presence of tech startups can fuel demand for supportive services, while human-centric industries provide a stable foundation for innovation.

Further, as the United States reduces economic reliance on China, a wave of reindustrialization is poised to bring manufacturing jobs, factories, and related industries back to American soil.⁴ New cities can position themselves as strategic hubs for these operations, offering affordable land, modern infrastructure, and proximity to emerging domestic supply chains.

STIMULATING SECONDARY ECONOMIC GROWTH

The development of new cities triggers a ripple effect of economic benefits. As communities grow, they demand complementary services like grocery stores, entertainment venues, and childcare facilities. As seniors settle in these new communities, they will further stimulate local economies by creating demand for health and wellness centers, recreational facilities, and senior-focused retail and dining options. These secondary industries further enhance job creation, strengthening the economic fabric of both new and existing cities. Over time, this growth contributes to a net increase in employment opportunities not just locally, but nationwide.



WON'T NEW CITIES JUST RELOCATE EXISTING JOBS?

In fact, new cities will create entirely new jobs. While a portion of the human jobs in new cities will be transferred from existing urban areas, many or most will be entirely new. Here's why:

DEMAND SATURATION

In existing cities, high population density leads to economies of scale that cap the number of human-focused jobs like dentists, plumbers, and other service roles. Highly concentrated populations end up meaning fewer service jobs per capita than if the same number of people were distributed across multiple smaller communities.

CREATION VS. REDISTRIBUTION

By building new cities, you create new communities that require their own schools, clinics, plumbing systems, etc. and human workers to operate them. This does not

replace or remove the demand for these same roles in existing cities but rather adds new demand on top. The jobs are localized and cannot be automated or performed remotely, at least not easily or with existing technology.

MULTIPLIER EFFECT

- ★ **SECONDARY DEMAND:** The development of new cities sparks what economists refer to as secondary demand. By creating new hospitals, schools, and attracting a few big employers, a city would also require new grocery stores, entertainment venues, childcare services, restaurants, and more, all of which create complementary human-focused jobs.
- ★ **POPULATION GROWTH:** Over time, as new cities attract families and businesses, they could stimulate population growth through new births and immigration, which in turn increases the overall number of these jobs across the country.





CONCLUSION

BY STRATEGICALLY DESIGNING AND BUILDING new cities in remote locations, the United States can address the economic and societal disruptions caused by A.I.-driven automation. These cities provide an opportunity to relieve urban strain, create new demand for human-focused work, and integrate high-tech innovation with a focus on sustainability and livability. By initiating friendly competition across all 50 states, new cities can also serve as policy incubators to test various ideas and find those that are most effective at curbing or reversing job loss. New City Pioneers is working to kickstart the dialogue among policymakers, private investors, and communities that will be required to bring this vision to life.

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