HOMELESSNESS: THE ECONOMICS AND SOLUTIONS

By Jay Garg

Homelessness has been increasing over time.
Coalition for the Homeless

Structural and incidental challenges – *structural challenges are challenges that are created by the system, typically that fall more heavily on one group or demographic. Incidental challenges are additional challenges not faced by other groups.*

This year in the United States, approximately 500,000 people will not have their own homes to sleep in ("State of Homelessness", 2023). Given a nationwide shortage of almost 188,000 shelter beds, the only option for many of these people might be a bench or a parking garage, the awning outside of a restaurant, or a tent ("State of Homelessness", 2023).

While it is terrible enough that there are people without a stable source of housing, homelessness also comes with additional risks. Those who are homeless are more likely to get sick and suffer from untreated physical and mental health conditions. They are less likely to have access to medical care. They might face additional difficulties applying for welfare and getting a job, perpetuating cycles of poverty or exclusion that could keep them on the streets. Unhoused persons might be exposed to extreme weather, even in extraordinarily dangerous conditions, and are also more vulnerable to crime and assault ("State of Homelessness", 2023).

Many consider this to be both a moral and economic failure, and the United States' persistent inability to address homelessness represents an amalgam of several separate problems. Some of these issues, which you should consider as you prepare to create solutions, include partisanship and insufficient investment in affordable housing creation, a lack of accessible jobs and inadequate welfare provision, discrimination along racial and class lines, a deep-rooted societal belief that individuals should be able to make their own way, and stigma and a dearth of treatment options for substance use and mental health conditions.

The remainder of this briefing will establish many of the causes of our inability to provide housing for those within our borders and will elucidate some of the economic consequences of that deficiency. There will be —and should be— disagreement about what the best way to move forward is. It is essential to debate which solutions will work and which will not be up to the task and which facets of this topic are most important to the end goal of providing everyone with the housing, food, and quality of life that we owe to each other. As we engage in these important discussions, we should strive to remember that the reason homelessness matters is not intrinsically economic. There are people who have no choice but to live outside. There are people who lack access to restrooms and showers, to

stocked private pantries, and safe, sheltered bedrooms. These unhoused persons must be at the center of these conversations.

More than that, I would urge you to be compassionate, act empathetically, and remind yourselves that this is *hard*. People experiencing homelessness often report being hit by a series of hardships and unfortunate events all at once, the likes of which may be difficult to comprehend. Homelessness sits at the intersection of economic exclusion, health and mental health conditions, and a lack of interest or assistance from others, and it also creates more logistical problems that can be difficult to navigate. Getting a job or applying for welfare benefits, for instance, may require a phone. Getting a phone, however, requires spending money on the phone —potentially taking money away from other necessities— and involves going to a store where phones can be purchased. This, then, involves finding someone trustworthy to watch your possessions, all of which could be stolen if you pick the wrong person, and making your purchase without having security called. Then, one would still have to navigate the unfathomably complex welfare application process or succeed in a job interview, both of which create their own additional **structural and incidental challenges**. And so on, and so on.

Historical Development

While 13% of the overall population identifies as Black, that number increases to 40% for those who are experiencing homelessness.

Initially coined in the 1870s, the term homelessness first referred to a group of men—mostly young and white—who traveled the country in search of work. Though potentially still problematic (many worried about the phenomenon as a moral crisis), this period of homelessness looked far different than the subject of this briefing (National Academies of Sciences et al., 2018). Indeed, at the time, the commonly accepted solutions for homelessness were job creation and marriage.

This dynamic changed in the late 1900s. Starting in about 1980, a combination of forces including gentrification, deinstitutionalization of people with mental illness, a lack of housing and cuts to the Housing and Urban Development budget, and a high unemployment rate led to a changing face of homelessness and an increase in people experiencing "literal homelessness," without access to any sort of affordable shelter (National Academies of Sciences et al. 2018).

Today, the group of people experiencing homelessness is much more likely to include families, women, and children. They are also more likely than before to be poorer, non-white, and to have concurrent mental health, physical health, or substance use conditions ("State of Homelessness", 2023).

Scope of the Problem

More than 500,000 people will experience homelessness each year.

Across the United States, more than 500,000 people will experience homelessness each year. For some, it will be a brief spell. For approximately 23 percent, though, the homelessness will be chronic, lasting a period of more than a year or reoccurring repeatedly ("State of Homelessness" 2023).

As you may recall from the introduction, homelessness is experienced differently. Some people who experience homelessness—approximately 60%—will do so from a shelter. Note that this is far less than the number of

people who should be sheltered given the number of shelter beds we have available. We will discuss them in more detail as one proposed area for government intervention. On the other hand, many unhoused persons will not be able to access a shelter. Instead, they will be forced to spend the night outside, perhaps in a sleeping bag on the side of a street or in a tent in a park. These persons constitute about 40% of the overall homeless population (DuBois, 2022).

Importantly, the defining population characteristics of those who are unhoused differ substantially from the overall population of the United States along some important lines. Unhoused persons are, on average, substantially poorer than the overall population. They are more likely to be men: 61% of the homeless population is men compared to 49.5% of the overall population. They also are more likely to belong to a marginalized racial group. While 13% of the overall population identifies as Black, that number increases to 40% for those who are experiencing homelessness (DuBois, 2022).

Health

Importantly, those who are currently experiencing homelessness tend to be in a different state of health and interaction with the healthcare system than those who are not homeless. This is for a variety of reasons. Unhoused persons might be more exposed to the elements and germs than housed individuals and less able to access sanitation services. They also might have less contact with the medical system: 60% of persons who are experiencing homelessness do not have health insurance, and many use emergency departments to get emergency care instead of regularly scheduled appointments that might be preventative (Jain, 2021). Additionally, sexually transmitted diseases, like HIV or Hepatitis C, are more common within this homeless population, partially owing to higher rates of sexual violence, substance use, and risky sexual behaviors (Williams and Bryant).

Additionally, homelessness itself is traumatic. Homelessness has been shown to lead to an increase in mental health conditions like schizophrenia or depression (Fischer and Breakey).

There are also many cases where poor health can be a reason why someone becomes homeless in the first place. Health care is increasingly expensive in the United States —private health insurance is projected to surpass median income by 2033— and so medical debts or medical bankruptcy can cause someone to lose their home (Fang). Compounding this issue, the United States offers far less leniency for those who cannot work due to illness or disability than other developed nations, and so those who cannot work often experience a loss of income that can prevent them from being able to afford rent. These same problems can be created by a wide host of mental health conditions, which is why there is considerable overlap between the population of people experiencing homelessness and the population of people dealing with mental health conditions. In fact, 20% of people who are homeless have simultaneously been diagnosed with a mental health condition or have a substance use disorder, a likely underestimate given the aforementioned barriers to seeing a doctor (Moxley et al.).

Health is an important issue in its own right. Importantly, though, these health conditions, both untreated and induced by homelessness, create a number of secondary costs for society. When people are excluded from preventative, primary care services, they are more likely to develop serious illnesses that are much more costly to treat. Moreover, without health insurance and a clear way to navigate the health care system, those who are homeless are more likely to need to call an ambulance or go to an emergency room in the event that they experience a medical issue. These emergency services cost far more to society than preventative care. Thus, some researchers estimate that we could save $2.4 billion by providing housing to all of our citizens ("Ending Chronic Homelessness Saves Taxpayers Money").

Employment

To many people, it is intuitive that there is a relationship between homelessness and unemployment. Indeed, some researchers estimate that unemployment rates among unhoused persons range from 57 percent to as much as 90 percent, while unemployment rates for the general population are currently at 3.7 percent ("Homelessness and Employment"). These high unemployment rates, as well as the financial nature of homelessness, imply that job training or enabling programs may be effective at helping to reduce homelessness.

Of course, there are many nuances and important questions that fall within this broader category. The first is straightforward: Why is unemployment so high within the unhoused community? Advocacy groups point to several barriers to employment that may be particularly salient for people who are unhoused. In particular, they note that people who are unhoused may experience discrimination when they seek employment, that landing a job may require access to facilities, resources, or transportation that they may not have access to, that the need for accommodations due to higher rates of physical or cognitive disabilities may make finding employment more difficult, and that educational or language requirements may also make finding suitable employment more difficult (Pagaduan). To alleviate these barriers, the government might consider policies to further restrict discrimination in hiring procedures on the basis of someone's housing status, investing in job training programs for individuals who are unhoused, or providing funds to support individuals who happen to be homeless in their job search. We will discuss these options more in a later section.

The second question that needs to be answered, however, is whether employment is a *sufficient* condition for overcoming homelessness. Though it may seem obvious that having a job will allow someone to rent a home, contemporary research suggests that a wide variety of structural factors have contributed to an economy in which being employed is no longer sufficient to afford shelter. Though they experience unemployment at a higher rate than the general population, researchers at UChicago found that 53 percent of sheltered homeless persons have formal labor market earnings in a given year, as do about 40 percent of unsheltered homeless persons (Meyer et al.).

Many facets of the U.S. economy contribute to this phenomenon, that employed individuals can be homeless. The rise of the gig economy, fall of

Homelessness, substance use disorders, and mental illness tend to co-occur.
Commonwealth Fund

Section 8 housing vouchers – *a form of aid given by the government to low-income households that directly pays landlords a portion of that family's rent.*

Housing voucher applications are long and complicated—many who are eligible do not apply.
Way Finders

unionization, erosion of the minimum wage, and absence of regulation in the housing market come to mind. However, the fact of the matter is that, in the majority of states, affording a two-bedroom rental unit requires an hourly wage of more than $17 ("Out of Reach"). The federal minimum wage remains at $7.25, where it has been since July 2009.

NEC Action

To date, the National Economic Council has not made any real strides in combatting homelessness, though they have investigated housing supply and housing markets. It will be both an important topic for us to consider in this committee and an area into which the real National Economic Council ought to invest more resources.

Importantly, note that the National Economic Council is not a legislative body and thus cannot actually vote to pass or not pass policies. Instead, we will create recommendations to send to Congress for their approval. In Model Congress, as in the real world, the recommendations issued by the National Economic Council are taken seriously and used to steer policy direction.

Other Policy Action

Many programs exist that touch on homelessness, whether intended to or not. Most directly, there are government-run shelters that temporarily house people without other housing options. The government also has longer-run programs, like **Section 8 housing vouchers**, which offer support for people to find their own, stable housing. Beyond actual housing, however, current policy also offers welfare programs, like SNAP, and health care for those who are not able to afford it through the Medicaid program. Some cities already have rent control programs, which we will discuss in more detail later in this briefing. However, where these programs exist, they are not always easily accessible and are often offered without other services that may be necessary to successfully benefit.

Conservative View

Conservatives tend to focus more on individual success and how an individual can improve their own situation. Thus, conservative members of the National Economic Council might be more likely to focus on investing in job-training programs to allow individuals to earn enough to pay rent. Moreover, conservatives might be loath to endorse large-scale government intervention for fear that it could have unintended consequences that might *worsen* the problem of homelessness. As we will discuss further in the next section, this might look like rent control policies reducing the profit for those who build homes, reducing the availability of apartments in a region and causing more people to become homeless.

Liberal View

On the other hand, liberals are more likely to focus on the structural barriers that prevent people from being able to escape homelessness and to support much larger government interventions. Building new shelters and

Unsheltered – *living in a car or on a street or in some other location not intended for human habitation.*

imposing regulations about affordable housing might be preferred policies for addressing the proximal causes of homelessness, and even broader policy initiatives like implementing Universal Health Care could be seen as a strategy for mitigating some of the structural barriers that keep people unhoused.

Below, I will elucidate some potential strategies for helping to bring about a world in which nobody is homeless. None of these are without their downsides, and no one solution will be able to address this crisis by itself. Moreover, these strategies are not comprehensive; there are many more potential solutions not listed here that you should feel empowered to research and propose in committee.

Investing in Government-Run Shelters

One of the most immediate answers to the crisis of having many unhoused individuals who are not able to access shelter and thus end up sleeping in dangerous, exposed locations is to have the federal government step in to better support emergency shelters. Despite the best efforts of many incredible people who have stepped up to run shelters in the status quo, data suggest that approximately 48% of unhoused persons are **unsheltered**. This problem is particularly prevalent in Western and Southern states, like California and Texas, where the number of available shelter beds is low compared to the number of unhoused persons who need a safe and stable place to stay ("Many Western and Southern States Lack Sufficient Shelter Capacity for Individual Homeless Adults"). Being unsheltered is associated with increased vulnerability to illness, violence, and difficulty getting back on one's feet.

Many of the barriers to developing more shelters or helping existing shelters expand the number of people they can serve at any given time could be tackled by the federal government. Indeed, 60% of mayors report that a lack of resources, particularly money, is a key barrier to expanding shelter reach, and more than 50% cited public opposition to expanding the shelter system (Goldberg). There are a number of policies that the federal government—Congress in particular—could undertake to support mayors in this endeavor. Congress could allocate more funding for shelter expansion, creating a grant or fund that shelters and municipalities can tap into. Similarly, Congress could create a tax deduction for emergency shelters or encourage expansion by increasing the deduction with the number of beds a shelter offers. Congress could allocate funds for campaigns to push back against **NIMBYism**, by subsidizing research into the effects of having a shelter in a neighborhood or simply running a campaign of public service announcements.

NIMBY – *a term that stands for "not in my back yard," and describes individuals who push back against the development of shelters or homeless services in their own community.*

The most obvious concern that may arise with a policy of expanding shelter access is that shelters are and ought to be an inherently short-term solution. Few policymakers, if any, believe that the answer to America's homelessness crisis is for people without housing to live in shelters—they are crowded and lack privacy, and are often not fit for long-term habitation or families. Thus, any policy of expanding shelter access must also focus on enhancing programming and resources to help people move from shelters

Moral hazard *– the idea that making an action have fewer consequences for an individual will cause them to do it more, even if it is societally detrimental. So, seatbelts might enable you to drive more recklessly.*

into long-term, stable housing. While in a shelter, it might be easier for individuals to utilize resources to apply for welfare benefits or a driver's license to help them eventually acquire their own housing.

Indeed, investing in these resources and pipelines to stable housing also addresses another concern that is occasionally mentioned in reference to shelters—***moral hazard***. Moral hazard is the idea, common among economists, that making an action have fewer consequences for an individual will cause them to do it more, even if it is societally detrimental. In this context, some policymakers might worry that increasing the availability of shelters without also making it easier to exit shelters for stable housing will disincentivize people from looking for housing in the first place. Thus, building out this additional infrastructure is vital to any shelter expansion policy.

Political Perspectives on this Solution

One might generally expect that liberal politicians and delegates will be far more in favor of these shelter expansion policies than their conservative counterparts. Liberals would be more likely to believe that housing is a fundamental human right and, consequently, that building out emergency shelters is vital to allowing everyone to have access to basic shelter. Conservatives, on the other hand, might be more likely to argue that shelter expansion is not a long-term solution and that it might, in some cases, create a moral hazard problem.

Should it come to actually funding a proposal along these lines, liberals would generally support budgetary expansion, while conservatives would ask for other spending to be cut. Conservatives might also prefer to enact similar incentives through tax cuts.

Job Training and Minimum Wage Hikes

Earlier in the briefing, we discussed how there is an overlap between homelessness and unemployment. One way to help address this gap is for the government to invest in job training and enabling programs. The government could set up classes (or reimburse those who attend classes) designed to teach computer skills, for instance, or interviewing techniques. The government could also fund transportation to and from job interviews, access to resources like internet-enabled locations or printers that are often necessary to apply for jobs, or business clothing drives and public-access showers that might be necessary to make a good impression. Though in an early stage, previous research on this front has suggested that job training or enabling programs can increase the number of hours worked by an individual after the intervention and the income received, though the results are the strongest when combined with other supplemental interventions around health, substance use, or housing (Marshall et al.).

Critics of this policy, though, might note that those same studies describe only a modest increase in employment or income as a result of job training or enabling. Perhaps due to other structural barriers that prevent employment or a lack of ability to pursue employment, job training alone is not nearly sufficient to allow most homeless individuals to afford a home.

Another related solution, noting what we described previously—even obtaining employment is not always sufficient to escape homelessness—is to raise the minimum wage. By raising the minimum wage to a living wage

standard, such that individuals who work are paid the amount to be able to afford housing and food in their communities, politicians could ensure that obtaining employment—*any* employment—is sufficient to be housed. Not only would this help unhoused persons who are already employed, but it might also create a greater incentive for other unhoused persons to pursue employment that right now would not be sufficient to afford housing and so is left alone. Based on previously cited work, a minimum wage of $17 per hour would enable employed persons to afford the average two-bedroom apartment rental in most states in the U.S.

There are reasons to be wary of raising the minimum wage, however. Though extraordinarily mixed on the subject—a large literature supports both positions—some economists believe that raising the minimum wage will reduce employment. The idea is that, by making workers relatively more expensive, businesses will be less able to hire workers. Thus, raising the minimum wage could better the unhoused persons who are able to obtain employment, but make life harder for those who will then not be employed at all (Neumark and Wascher). Moreover, raising the minimum wage could eventually lead to an increase in rent prices because landlords know they can charge more, erasing any increase in renting power by unhoused persons. Some researchers show, for instance, that rent defaults decrease after minimum wage increases but only temporarily—after three months, landlords have raised prices, and defaults return to normal (Bohn).

Medication-assisted treatment *– medication-assisted treatment (for opioid use disorder) refers to the use of medicines that block or stimulate with lower potency opioid receptors in the brain, helping someone to overcome an addiction.*

Political Perspectives on this Solution

Like most of the topics in this briefing, these solutions are partisan and controversial. Though liberal politicians may be more likely to view the structural barriers that prevent unhoused persons from obtaining employment, they also may be less likely to think that employment will prevent someone from being homeless. By way of contrast, conservative politicians may be more likely to chalk up homelessness to a lack of employment (though they may be less willing to pay for job training or enabling programs). Minimum wage increases are, almost always, supported by liberal politicians and disputed by conservative politicians.

Substance Use and Mental Health Treatment

As was mentioned previously, homelessness is associated with higher rates of both substance use disorders and mental health conditions. There are a number of potential explanations for this. In part, substance use, or mental health conditions can lead to homelessness by making it more difficult for someone to remain employed, pay rent, or avoid being evicted. Additionally, homelessness can be a source of trauma in of itself and is associated with a higher rate of external traumatic experiences, both of which imply that homelessness may also lead to a higher prevalence of these conditions.

Whatever the case, these separate but overlapping sets of conditions create significant barriers to overcoming homelessness. By way of contrast, when these barriers are addressed, people find it easier to escape homelessness. Researchers found that, at shelters that offered mental health services, individuals experienced more positive housing outcomes after receiving treatment (Stergiopoulos et al.). That is, helping people to

receive treatment for their substance use or mental health conditions can be a necessary first step to helping them overcome homelessness.

This, however, creates ample opportunity for government support. According to the Government Accountability Office, 68% of community clinics that offer these services to low-income people turn away visitors due to a lack of staff or funds (LaMotte). Medicaid coverage—already allowing millions of Americans to fall through the cracks in the nation's provider of health care for low-income individuals—does not cover recommended crisis mental health and substance use services in 75% of states (Larson). Until recently, healthcare providers were legally required to limit their provision of **medication-assisted treatment** to 30 patients, preventing them from helping hundreds more to overcome their substance use disorders. Even still, harm reduction facilities like public health vending machines or safe injection facilities are not widespread, leaving many to overcome addiction on their own (*Waiver Elimination (MAT Act)*).

Of course, providing better access to substance use or mental health treatment has its own downsides and critics. Some people might contend that these treatment options are not particularly effective without first having a stable place to live—a movement that proponents might refer to as **Housing First**. Absent this housing, mental health or substance use treatment is not able to prevent ongoing sources of trauma or indignity that can create a vicious cycle. Moreover, the mechanism of delivery matters. Some research suggests that in-patient treatment programs actually lead to a higher incidence of homelessness after patients are released, suggesting that these programs are not doing a good enough job of connecting patients with resources so that they are able to maintain their housing while undergoing treatment (Rogers).

Political Perspectives on this Solution

In general, liberals tend to be far more supportive of substance use and mental health treatment programs. Moreover, liberal politicians will likely be more supportive of policies to subsidize or make more accessible these treatment options. By way of contrast, conservative politicians are more likely to view substance use as a choice or moral failing and might suggest that making treatment programs easier to access will represent an unfair burden on other taxpayers or the state.

Housing Vouchers

Another strategy for increasing the ability and availability of housing is to expand the existing system of housing vouchers. **Section 8 Housing Vouchers** are issued by the government to low-income families, at which point they must find their own available housing unit somewhere in the country. Provided that the apartment meets some minimum health and safety standards and that the rent for the apartment is similar to other apartments in the area, the government will then directly pay the landlord a portion of the rent, leaving the tenant to handle the remaining share.

In essence, then, the Section 8 Housing Voucher Program is a direct housing subsidy to poor families and individuals. As a result, they have been shown to reduce homelessness from 13 percent to 3 percent among a studied population of low-income households, reduce foster care placements for children, and reduce rates of alcohol dependence and

Housing First –
Movement that calls for providing unhoused people with a house or shelter before providing medical or mental health support.

Section 8 Housing Vouchers – *a direct housing subsidy provided to poor families and individuals*

domestic violence (Fischer, *Research Shows Housing Vouchers Reduce Hardship and Provide Platform for Long-Term Gains Among Children | Center on Budget and Policy Priorities*).

One large barrier to expanding the housing voucher program, however, is the paucity of landlords who are willing to accept vouchers. Not only do housing vouchers signal that a tenant may not have the funds to maintain their share of the rent, but the process of converting vouchers into cash can be extremely slow and arduous. For this reason, housing vouchers are rejected by as many as 75 percent of landlords in some cities (Vesoulis). Additionally, some critics claim that housing vouchers will enable landlords to charge more, pushing up rents and erasing their impact, while others argue that since housing vouchers are used by so few people, they have little impact on overall rents (Fischer, "Vouchers Can Help Families Afford Homes, With Little Impact on Market Rents").

Political Perspectives on this Solution

Politically, this proposed policy is a bit more complicated than the others. Initially, housing vouchers were pitched as a conservative free-market approach to the lack of affordable housing that was causing people to be homeless or housing insecure. More recently, however, conservatives view housing vouchers as a program to be cut, in favor of subsidies promoting the development of new market-rate housing that might drive down prices. Now, it appears to be liberal politicians who are more likely to defend the housing voucher program.

Rent Control

Many states and municipalities have experimented with rent control policies in the past as a means of making housing more affordable. Under typical rent control policies, the amount of rent that a landlord can charge for a particular type of apartment is capped, and the annual increases that they can impose are similarly capped and pegged to inflation. As a result, rent-controlled apartments are cheaper: Rent-restricted apartments are, on average, 38 percent cheaper than comparable market-rate units ("How Big a Difference Do Restricted Rents Make?"). Moreover, some even believe that rent restrictions can have spillover effects on non-restricted units. By lowering the price for some units, the government is essentially creating an enforced competition that might lead to city-wide reductions in rent (Pastor et al.).

Rent control, however, is extremely controversial. Because rent control policies make units less profitable, some contend that rent control will lead to less housing development, thus increasing prices by constraining supply. In New York City, researchers suggest that rent control policies prevented 200,000 new units from being constructed (Miller et al.). Overall, some estimates imply that rent control can reduce the supply of affordable housing by as much as 15 percent (Diamond et al.).

Political Perspectives on this Solution

Though every rule has exceptions, liberal politicians tend to be in favor of rent control policies, while conservative politicians tend to be opposed to rent control policies. Instead, conservatives might argue that reducing

regulations on developers and encouraging additional housing development would reduce the price more effectively.

BUDGETARY CONSIDERATIONS

As the National Economic Council, we should always be keeping budgetary considerations in mind when proposing policy. The costs of the policies that we propose here will come from other places. Should our solutions be too expensive, Congress may decide to decrease funding to other vital functions of the U.S. Government, like investing in the military or providing health insurance to millions of Americans.

While assessing the budgetary considerations of these policies, we ought to think beyond the "sticker price" of each intervention. Rent control, for example, represents a type of legislation that initially costs the government nothing. However, rent control might cause the government to lose money in forgone property taxes, or to pay more if decreased profit for developers causes more individuals to become homeless. Each of these policies is intimately connected with a set of costs and benefits that should be weighed and evaluated for their budgetary impact as well as their impact on people.

Rent restricted apartments are, on average, 38 percent cheaper than comparable market-rate units.

CONCLUSION

Homelessness is often seen and rarely discussed in a meaningful way. As a society, from a young age, we train ourselves to look away from people who do not have housing, to stare blankly ahead when asked for money, and to focus on other, more salient, political issues. This societal inattention, though, has left us where we are now. More than 500,000 people are homeless.

As discussed in this briefing, this homelessness has costs. There are the economic and health consequences of homelessness, each of which is ultimately paid for by the taxpayer. More important is the moral stain. More than 500,000 people are homeless.

Together in committee, we, the National Economic Council, will have the opportunity to propose initiatives for Congressional approval that have the potential to make a dent in that number. To give people the opportunity to access stable, safe housing. How that happens is, of course, an immensely complicated subject. Should we make welfare easier to access so that people are better able to afford housing, or will that disincentivize work? Should we pass Universal Health Care such that individuals who are homeless can have a better and easier time accessing care, or will that lead to overutilization of health care and be too expensive?

This is an important issue and challenge that continues to daunt policy experts and government officials. I look forward to hearing your thoughts in committee.

GUIDE TO FURTHER RESEARCH

First and foremost, the best way to prepare for committee is to read through the briefing. Try to understand the position that your representative to the National Economic Council would take, and then work through the arguments themselves. What would your delegate say about each of the included Areas for Debate? What might other delegates say?

Second, take the time to read general information about homelessness in the United States and the set of policy options that have been proposed to address it. Make sure that you are using reputable and trustworthy sources—the New York Times or Wall Street Journal might be good places to start your search.

Third, using the information that you have gained, can you think of new policy recommendations that build or move beyond what is outlined in this briefing? The Areas for Debate that are mentioned above are, by design, general overviews of a wide and insufficient set of policies and barriers that we ought to think about. Be creative, and we cannot wait to hear what you come up with!

GLOSSARY

We train ourselves, as a society, to ignore people who are homeless and the fact that we, as a society, are benefitting off of doing nothing.
Urban Institute

Medication-assisted treatment – medication-assisted treatment (for opioid use disorder) refers to the use of medicines that block or stimulate lower potency opioid receptors in the brain, helping someone to overcome an addiction

Moral hazard – the idea that making an action have fewer consequences for an individual will cause them to do it more, even if it is societally detrimental. So, seatbelts might enable you to drive more recklessly

NIMBY – a term that stands for "not in my back yard," and describes individuals who push back against the development of shelters or homeless services in their own community

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Unsheltered – living in a car, on a street, or in some other location not intended for human habitation

Housing First- A direct housing subsidy provided to poor families and individuals

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