

## Is Homelessness a Housing Problem?

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### *Abstract*

Homeless people have been found to exhibit high levels of personal disability (mental illness, substance abuse), extreme degrees of social estrangement, and deep poverty. Each of these conditions poses unique housing problems, which are discussed here. In the 1980s, the number of poor people has increased and the supply of low-income housing has dwindled; these trends provide the background against which the homelessness problem has unfolded. Homelessness is indeed a housing problem, first and foremost, but the characteristics of the homeless are such as to make their housing problems atypical.

### **Introduction**

The question of whether homelessness is a housing problem is perhaps best approached by asking, If homelessness is not a housing problem, then what kind of problem might it be? Most agree that the number of homeless people in the cities increased significantly in the 1980s. Was there any corresponding decline in the availability of low-cost housing? What besides a dwindling low-income housing supply would account for the trend? Even if one concludes that homelessness is not just a housing problem, there seems to be little doubt that inadequate low-cost housing must have something to do with the problem, and it is useful to ask just what that “something” is.

Superficially, the answer to our question is both clearly yes and obviously no. Homeless people, by definition, lack acceptable, customary housing and must sleep in the streets, double up with friends and family, or avail themselves of temporary overnight shelter. The lack of acceptable housing, in short, is implied in the very definition of homelessness. On the other hand, it can be argued that housing is not the real problem, because there is plenty of housing to go around. The problem, instead, is that homeless people cannot afford the housing that is available to people of sufficient means.<sup>1</sup> In this sense, homelessness is not a housing problem but a money problem; the root causes are poverty, unemployment and underemployment, inadequate wages, and the insufficient income provisions of the welfare state.<sup>2</sup> It is, of course, foolish to pose the

question in these either/or terms. A more useful question concerns the intersection of housing and economics and can be phrased thus: To what extent is the problem of homelessness caused by an insufficient supply of housing of the sort that homeless people need and could afford to live in?

Homeless people themselves readily identify the lack of housing and money as the source of their troubles. Ball and Havassy asked a sample of homeless people in San Francisco to identify “the most important issues you face or problems you have trying to make it in San Francisco or generally in life.”<sup>3</sup> The most common responses were “No place to live indoors” (mentioned by 94 percent), followed by “No money” (mentioned by 88 percent). No other response was chosen by as much as half the sample.

Housing and money are by no means the only problems homeless people face. Many are mentally ill, many more are chemically dependent, some are physically disabled, and most are profoundly estranged from family and friends.<sup>4</sup> And, of course, they are among the poorest of the poor, surviving on a mere fraction of the poverty-level income in most cases. These characteristics are of critical importance in specifying exactly what kind of housing problem homelessness is, but they do not negate the principal conclusion, that the most fundamental need is for housing.

### **If not housing, what?**

What kind of problem might homelessness be, if not a housing problem? One common although profoundly wrong theory can be dismissed at once—the opinion expressed by Ronald Reagan and others that the homeless are homeless by choice. The implication of this viewpoint is that homelessness results from an exercise of personal will, not from mental illness, substance abuse, or an inadequate supply of low-income housing. In this view, homelessness is simply not a problem and the homeless are perceived, perhaps, as romantic vagabonds who have traded the rat race of modern urban civilization for a life uncomplicated by mortgage or rent payments, ringing telephones, surly bosses, nagging spouses, and truculent children.

However widespread such a viewpoint may be, no credible scholar who has studied the problem of homelessness takes it seriously. One does read occasionally about a homeless person with a locker full of cash in the bus station, or about a former Wall Street

stockbroker who cashed it all in for the romance of life on the road, but in the overwhelming majority of cases, homeless people live as they do because they lack the means to live in any other way, not because they have positively chosen a life of destitution and degradation over some attainable alternative means of living.

Consider what a homeless person would choose by choosing to be homeless. The rate of AIDS infection among the homeless exceeds that in the general population by a factor of 10; the rate of sexual assault on homeless women exceeds that of women in general by a factor of 20; the rate of tuberculosis among the homeless exceeds that in the population at large by a factor of about 100; and the average age of death for homeless men is somewhere around 53 years old.<sup>5</sup> One does not "choose" to sleep in the gutters or scavenge food from Dumpsters.

The 1980s witnessed an impressive outpouring of research on who the homeless are, how they got to be homeless, and what could or should be done to help them. This research has not answered every outstanding question, but a substantial number of issues have been put to rest. One surprising result from this decade of research is that the homeless are not a homogeneous population. The homeless prove to be men, women, and children; young, middle-aged, and old; black, white, Hispanic, and Asian. Some are veterans, others are not. Many are mentally disturbed, many are astonishingly lucid. Half abuse alcohol and drugs, the other half do not. Some receive welfare benefits, most do not. In searching for the causes of homelessness, one looks for common threads woven through the lives of most homeless people, and these, it seems, are three in number:

First, rates of personal disability among the homeless are extremely high. About a third are mentally disabled; about a tenth are physically disabled; about half are substance abusive. Probably two-thirds to three-quarters of the total suffer from one or more of these conditions.<sup>6</sup> Other than lack of housing, these alcohol, drug, and psychiatric problems are probably the most commonly cited causes of homelessness; thus, these issues are taken up in detail later, mostly because they have obvious implications for the kind of housing problem the disabled homeless face.

Second, homeless people routinely show high levels of family and social estrangement. Few have ever been married; most who have been married were subsequently separated or divorced. Contact with the family of origin is minimal to nonexistent in most cases; indeed, many become homeless when their families can no longer support them. Lacking the safety net of familial and other social

ties, they have nothing to catch them when they stumble, so they fall into the shelters and streets.

Finally, the homeless are characterized by extreme poverty. Many have no regular or steady means of support and live day to day by availing themselves of free food at the soup kitchens, clothing at the missions, and beds in the shelters. Among those with any income, the average income is somewhere between 25 percent and 40 percent of the poverty level for a single individual.<sup>7</sup> The exceedingly low income levels characteristic of the homeless have obvious implications for their housing needs, because even most low-income housing is priced well beyond their means.

There is, of course, a fourth commonality to emphasize: because of their extreme poverty, personal disabilities, and social estrangement, all homeless people are unable to secure or retain adequate housing. Is this to suggest, then, that homelessness is not a housing problem, but rather a poverty problem, a disability problem, and an estrangement problem?<sup>7</sup> Surely not: instead, these facts explain why homelessness is a housing problem at its very core, and they also help to explain just what kind of housing problem homelessness is.

## **Mental illness**

It is often argued that homelessness is mainly a mental health problem, one caused in substantial measure by inadequate discharge planning during the process of deinstitutionalization and by other related changes in society's treatment of the mentally ill. Supporting this interpretation is the now commonplace finding that the rate of psychiatric disorder is sharply elevated among the homeless compared with the domiciled population, especially among homeless women.<sup>8</sup> At the same time, only about a third of the homeless have clinically significant psychiatric disorders, leaving two-thirds whose homelessness must result from other factors altogether. It would be misleading to suggest that homelessness is mainly a mental health problem when most of the homeless are not mentally ill.

It is wrong to infer from the high rate of psychiatric disturbance among the homeless that homelessness is a mental health problem and, therefore, not a housing problem. The better conclusion is that many mentally ill people have housing needs that are not being adequately addressed and they are, therefore, homeless. Obviously, the

housing needs of mentally ill homeless people are quite different from the housing needs of other homeless persons or of the poor in general, as was recognized at the beginning of the deinstitutionalization movement. The initial plan was to provide a large network of halfway houses, supported housing options, and community-based mental health centers to address the unique needs of the deinstitutionalized population. Although deinstitutionalization itself proceeded apace, and even accelerated during the sixties and seventies, little of this intended network was ever put in place; as a consequence, many former mental patients were returned to families and communities only to find that their families were unwilling or unable to provide for their care and that their communities lacked adequate provisions for their unique housing and other needs.

The housing problem posed by the existence of large numbers of mentally ill homeless people is that the current supply of supported, transitional, and extended-care housing for the mentally disturbed is insufficient or, in many places, simply nonexistent; the absence of an adequate supply of such housing is exactly why so many mentally ill people are homeless in the first place.

The housing problems faced by the mentally ill homeless cannot be addressed by the simple expedient of more flophouses or public housing projects. Adequate housing for this group requires on-site supportive social and psychiatric services, and because few could afford to pay rent, the necessary subsidies would be deep. These points, of course, only specify the nature of the housing problem that mentally ill homeless people face; they do not imply that the housing problem is of lesser causal significance than mental illness.

Stated simply, people do not become homeless just because they are mentally ill. Mentally ill people become homeless because housing that meets their needs is in extremely short supply and because they do not have sufficient financial resources to translate their evident needs into a housing demand that would stimulate additions to the supply. In the absence of capable advocacy and case management, the homeless mentally ill fall easily through the cracks—and the housing crack is one that they have fallen through in distressingly large numbers. It is, of course, correct to say that the mentally ill homeless require more than just housing, but it is also correct to say that the absence of acceptable housing lies at the root of their problems.

Indeed, it is a reasonable assumption that until the housing situations of homeless mentally ill persons are stabilized, efforts to

address their many other problems will be largely fruitless. By themselves, counseling, therapy, and psychotropic medication cannot compensate for the psychic anguish and mental disordering that result from life on the streets. The point is that in the absence of acceptable housing options along the lines sketched above, society cannot adequately address even the mental health problems of the homeless mentally ill, much less their housing, financial, and other problems.

### **Alcohol and drug abuse**

Next to mental illness, alcohol and drug abuse are commonly cited causes of homelessness, but most of what has just been said about mental illness also applies to substance abuse. As with psychiatric disturbance, rates of alcoholism and drug dependence among the homeless are admittedly quite high, on the order of 50 or 60 percent.<sup>9</sup> But 40 or 50 percent are not substance abusers, and their homelessness must, therefore, result from other factors.<sup>10</sup>

Also in parallel with the case of mental illness, it is misleading to conclude from the high rate of substance abuse among the homeless that homelessness is mainly an alcohol and drug problem and, therefore, not a housing problem; the better conclusion is that alcohol- and drug-abusing poor people have great difficulties maintaining their hold on acceptable housing and, therefore, become homeless in disproportionate numbers.

Homeless alcoholic men and women have existed in all times and places throughout American history; this aspect of the larger homelessness problem is scarcely new. In times past, however, most urban areas contained an informal social system that provided for the housing and other needs of the alcohol-abusing poor, the system called skid row. Skid row areas, of course, continue to exist; indeed, these are the places where the homeless tend to concentrate in most cities. But if skid row areas continue to exist, the skid row social system has all but disappeared; this disappearance has posed a formidable housing problem for the homeless alcohol- and drug-abusive poor.<sup>11</sup>

Skid row was always inhabited by unattached, unaffiliated single men, many of them alcoholic. There were many significant elements to the old skid row, but two are of particular interest: the flophouses, rooming houses, missions, and similar places that provided extremely cheap housing to the skid row population, and the day-labor outlets that provided casual employment.

The employment provided through the day-labor outlets was largely unskilled work; loading and unloading trucks, trains, and boats was perhaps the most common form of employment. The income to be earned through such work was minimal. At the same time, the flops were extremely cheap, and cheap meals were also widely available. Often, rooms could be rented for as little as 50 or 60 cents a night; a dime would purchase a sandwich and a cup of coffee. In those times and in that particular social system, one could pick up a dollar or two a day working at casual labor; more to the point, one could get by on a dollar or two a day. It was unquestionably a poverty-level existence, but it provided some level of nutrition and housing, even for the alcohol-dependent.

The single-room occupancy (SRO) hotels and the flophouses, of course, have largely disappeared, victims of urban renewal, gentrification, and the “revitalization” of downtown areas. Hartman and Zigas estimate that these processes have resulted in the loss of over one million units of SRO housing in the past two decades.<sup>12</sup> Some of the city-by-city figures are of interest: In San Francisco, 17.7 percent of the existing SRO units were destroyed or converted in a four-year period in the late 1970s, with further losses since. Similarly, in New York City there was an overall 60 percent loss of SRO hotel rooms between 1975 and 1981. The number of New York hotels charging less than \$50 per week declined from 298 to 131 in that period; of hotels dropping out of that price range, the majority are no longer even hotels and have been converted to other uses, mainly to condominiums. Denver lost 29 of its 45 SRO hotels between 1971 and 1981, Seattle lost 15,000 units of SRO housing from 1960 to 1981, and San Diego lost 1,247 units between 1976 and 1984. The loss of SRO housing was described as a nationwide trend even in the late 1970s, a trend that has doubtless accelerated since.<sup>13</sup>

Day-labor outlets have also been disappearing. Most of the work once done by day laborers has been mechanized; many hundreds of thousands of day-labor opportunities were wiped out by the invention and widespread adoption of the forklift truck, containerized shipping, and, of course, by the unions. The unionization of the construction and stevedore industries in particular has made day labor in these sectors obsolete. The function formerly served by the day-labor outlets has been assumed by large “temporary-help” corporations such as Manpower. These are sanitized temporary-help outlets located far from the skid row areas; they are no longer part of the skid row social system, at least not in most North American cities.

Thus, the flops and the SRO hotels of skid row are largely gone, their housing function taken over by the large, temporary overnight shelters that now exist in nearly every city. Opportunities for casual day labor are also largely gone, and the income-generating function of casual labor has been replaced by scavenging from trash cans and panhandling. The social system of skid row, in short, has been replaced by the disorganized existence of homelessness, and nowhere has this change been more problematic than among the alcohol- and drug-abusing homeless. With the housing of last resort now decimated, the alcoholic and drug-addicted poor end up living, essentially, in the streets.

Thus, in the final analysis, the homelessness of the alcoholic and drug-dependent, like that of the mentally ill, is also a housing problem, although here too, the nature of the housing problem is unique. If homeless alcoholics or addicts are no longer going to live in skid row, out of the sight and mind of society at large, then they will have to live among us, and this in turn requires reintegration into the norms and behaviors of normal middle-class society. Thus, to understand the exact nature of the housing problem of chemically dependent homeless people requires an understanding of the alcohol and drug treatment programs that are normally available to those of limited means.

In most cities homeless alcohol and drug abusers who seek treatment can normally be placed, after a waiting period of weeks to months, in three- to seven-day detoxification programs. These programs provide an opportunity to get clean or sober (or often, both), food and shelter for the duration of the program, some introduction to Alcoholics Anonymous or Narcotics Anonymous, some medical care, and limited group and individual counseling. Access to detoxification programs is itself problematic; the need for treatment slots exceeds the capacity almost everywhere. Still, when interviewed, many homeless substance abusers are found to have been detoxified dozens of times. The problem lies less in the limited availability of detoxification treatment slots than in the nearly complete absence of appropriate aftercare facilities, where any positive steps taken during detoxification can be encouraged and reinforced.

Most specialists in the treatment of chemical dependency disorders now recognize that the key to success lies in providing a therapeutic environment in which sobriety and independence are valued. This, needless to add, is not the environment that homeless alcohol and drug abusers encounter on the streets. Yet the modal treatment package for homeless substance abusers nationwide, as we have already noted, is seven days of detoxification followed by release

back to exactly the environment that precipitated or exacerbated the abuse in the first place.

The ultimate housing problem of the homeless alcoholic or drug addict is thus to be found in the near-total absence of residentially based, transitional, and extended aftercare facilities that promote sobriety, encourage economic independence, and provide a stable residence during an extended recovery period. One promising, although relatively costly, approach is the so-called alcohol-free SRO hotel that has been the subject of experimentation in California and other areas. These facilities provide permanent (or at least long-term) housing to recovering homeless substance abusers and have appropriate job training, job placement, counseling, and social services on-site; in these respects, they are similar to the supported-housing options often recommended for the homeless mentally ill. Quantitative evaluations of the effectiveness of such facilities are inconclusive, but experimentation continues.<sup>14</sup> Certainly, “total care” approaches such as these—with secure, stable housing as the centerpiece—stand a far greater chance of success than the treatment modalities that are now common.

As with the mentally ill, it is obvious that homeless alcoholics and drug addicts need more than just housing. Their need for housing is entangled with their need for treatment; their need for treatment, in turn, is itself not unitary. They need assistance in overcoming their substance dependencies; job training and placement services; supported work environments, at least for a period of transition; counseling in money management and social skills; and even retraining in acts of daily living such as bathing, personal hygiene, and dress. Again, although homeless alcoholics and drug addicts need more than just housing, they do have a housing problem and unique housing needs. Without a solution to this housing problem, efforts to address their many other needs will be largely fruitless. Living in the streets is a powerful incentive to get high or drunk and stay that way.

Mention must also be made of the “dually diagnosed” homeless, who have recently begun to receive a great deal of research attention. These, of course, are the unfortunate souls who are both chemically dependent and mentally ill. Their unique problems are that most alcohol and drug treatment programs refuse admission to persons with co-occurring psychiatric disorders (on the not unreasonable grounds that these programs are not properly equipped to deal with mental problems) and that most mental health programs refuse admission to those who are also drinking or using drugs (on the same grounds). The dually diagnosed need both the stabilizing

residential care needed by the mentally ill and the alcohol- and drug-free living environment needed by the substance abusers. Several of the National Institute of Alcohol Abuse and Alcoholism round two demonstration programs (see note 14) are targeted entirely or in substantial part to this population.

### **Familial and social estrangement**

Homeless people are usually profoundly estranged from family and friends. The housing implication of this fact is that they are rarely able to draw on networks of kin and friends to sustain them through periods of social, economic, or psychological crisis. Most people, if they found themselves about to be homeless or newly homeless, would have someone to whom they could turn as they weathered the storm and got back on their feet. In general, the homeless are those who do not have such a support system.

There are two different types of estrangement among the homeless, both of which are well illustrated by certain findings from Rossi's survey of the homeless in Chicago (see notes 2 and 7). Homeless persons in that survey were asked whether they would like to return to their families, and if so, whether they thought their families would take them in. In general, the men said they would like to return but knew they would not be welcome; the women had no wish to return in the first place. Thus, the estranged are either family rejects who have exhausted the patience or resources of their kin networks, or family leavers who have fled a domestic situation so troubling or so abusive that life on the streets is the preferred alternative.

Many of the family rejects, of course, have been expelled because of their alcohol and drug abuse or because of other personal problems (chronic unemployment, troubles with the law, etc.). If their rejection is not to lead to homelessness, then they need rooming or boarding houses (or SRO rooms) appropriate to single individuals of limited means. Without a sufficient supply of such units, they end up on the streets. The family leavers have different needs: sanctuaries, battered women's programs, halfway houses, and transitional programs, all coupled with social and psychological services to address their troubled histories.

The role that family and kin networks play in housing the poor is not usually appreciated. Data from Chicago provide an illustration. There are approximately 100,000 general assistance recipients in

the city. Most are single, unaffiliated, nonwhite males—in short, extremely poor persons who do not qualify for Aid to Families with Dependent Children (AFDC), Supplemental Security Income, Social Security Disability Insurance, or other forms of welfare.<sup>15</sup> A study of general assistance recipients by Stagner and Richman found that half resided with family or friends; without this housing assistance, as many as 50,000 additional Chicagoans could well be homeless.<sup>16</sup> Given this finding, the surprise is not that there are so many homeless people, but that there are so few.

In general, the welfare state provides for the unfortunate only what families, friends, and communities do not; one's social "safety net" is the first line of defense against misfortune of all sorts, and the welfare state safety net is the second. In general, the homeless have fallen through both. In some cases, certainly, and perhaps in many cases, the "hole" in the social safety net is due to lack of resources; families simply run out of money and turn their adult children out onto the streets. It is therefore possible that subsidies to families with dependent adult members, a program referred to elsewhere as Aid to Families with Dependent Adults,<sup>17</sup> might be sufficient to prevent the homelessness of many.

### **Extreme poverty: Poverty and housing in the 1980s**

Finally, of course, the homeless are extremely poor, so poor that the poverty line would represent a standard of affluence to many of them. This is true of essentially all homeless people, regardless of their other problems. Even if there were a way to stabilize the mentally ill homeless, or treat the alcoholic and drug-addicted homeless, or reintegrate the estranged homeless with their families and friends, almost all would still be poor. And as poor people, they would then face the same housing problem that all poor people face—an insufficient and dwindling supply of low-income housing. This is the ultimate sense in which homelessness is a housing problem, and it is appropriate to conclude with a discussion of the trends in poverty and low-income housing over the past decade.

The 1980s were neither kind nor gentle to the nation's poor and destitute. During the decade, poverty increased and the supply of low-income housing dwindled. The trends in these directions were obvious even in the early 1980s and have, if anything, become more pronounced in the years since.<sup>18</sup>

From 1978 to 1985, there was a 25 percent increase in the number of households below the poverty line, and also an increase in just how poor the poor were. For example, in 1985 the median income of poor families was \$4,000 beneath the poverty line; in constant dollars, those families were \$600 deeper into poverty than poor families in 1978.<sup>19</sup> That the poor are getting poorer has been the theme of countless recent newspaper and magazine articles.

Over the past thirty years, the number of Americans living below the official poverty line has varied from a high of nearly 40 million in 1960 to a low of about 23 million in 1973. The number of the poor declined steadily throughout the 1960s, from nearly 40 million at the beginning of the decade to about 25 million at the end. Throughout the 1970s, the number of people living in poverty fluctuated around the 25 million mark, with no obvious trend in either direction. Then, starting in 1978, the number of the poor began to increase, reaching the 35 million mark in 1983 and hovering close to that number since. The 1983 figure is of historical significance because it represents the largest number of persons in poverty recorded since the beginning of the War on Poverty in 1964. In the five years from 1978 to 1983, the gains of the previous two decades were totally erased.<sup>20</sup>

Not only has the number of the poor increased, but their poverty has deepened. The total share of national income going to the poorest tenth of the population has declined by more than 10 percent in recent years; the share going to the most affluent 20th has increased by 37 percent. Accordingly, the gap between the poverty line and the median U.S. family income has widened. In 1980, this "income deficit" for the poor (the difference between the three-person-household poverty level and the median income) was \$14,458; the corresponding figure in 1988 was \$22,755—a 57 percent increase.

As the number of the poor has increased and their poverty has worsened, the supply of housing for low-income people has declined. A comparison of the number of units renting for less than \$250 a month (30 percent of a \$10,000 annual income) and the number of households with annual incomes under \$10,000 reveals that in 1985, there were four million fewer units than renter households needing units, with the discrepancy between the number of poor families and the number of very low-income rental units evident in every state.<sup>21</sup> In the nation as a whole, there are nearly twice as many very low-income renter households as there are low-cost units to accommodate them.

Despite this gap, Department of Housing and Urban Development (HUD) funding levels for subsidized housing assistance declined sharply, from \$26.6 billion in 1980 to \$7.4 billion in 1989. In contrast to frequent claims by "Reagan administration enthusiasts" that HUD has played a major role in solving the housing crisis through an infusion of funds into the system, HUD officials have indicated that they are "backing out of the business of housing."<sup>22</sup> Recent downward trends in the federal obligation to subsidize the construction of low-income housing reverse a historical commitment dating to 1937.<sup>23</sup>

What has happened to the low-income housing stock in urban areas? The essential developments have been abandonment, arson, gentrification, conversion, and displacement. Despite the growing poverty population and the increased need for low-income housing in the 1980s the decade witnessed considerable loss of low-income housing through arson and abandonment, outright destruction through urban renewal and the revitalization of downtown areas, and much more conversion of low-income to upper income units through the process of gentrification.<sup>24</sup> In general, "demolition, rehabilitation, abandonment, and condominium conversion have lessened the number of low-rent housing units in most major cities."<sup>25</sup>

Thus, the revitalization of downtown areas has been a mixed blessing. The razing of rotted urban slums and their replacement by attractive boutiques, elegant restaurants, upscale condominiums, and the like are positive developments, as is the ensuing increase in the urban tax base. At the same time, these processes have displaced large sectors of the poverty population and have destroyed much low-income housing, particularly (as already noted) the SRO housing that once served as the housing of last resort for the most down-and-out among the urban poverty population. With little federal funding available to subsidize the replacement of lost low-income units, many of the displaced have come to be permanently displaced, which is to say, homeless.

Unfortunately, the destruction of SRO housing is only part of a larger process of displacement. Based on data from the Annual Housing Survey, Huttman estimates that somewhere between 1.7 and 2.4 million persons are being displaced annually through outright destruction of units.<sup>26</sup> Razed units are predominantly low-income units; replacement units frequently are not. For example, in 1987, 346,500 new apartments were built nationwide. Of these, only 23,900 (7 percent) rented for less than \$350 a month. The median rent for new units constructed in 1987 was nearly \$550 per

month, well beyond the reach of low-income families and hopelessly beyond the reach of the homeless poor.

It is, of course, true that the federal government continues to subsidize the housing costs of the poor, mainly through the Section 8 housing voucher program. Section 8 provides qualifying low-income households with housing vouchers that can be used in lieu of cash for rent. In order to qualify as a Section 8 unit, an apartment must rent for less than a designated "fair market value." To prevent obvious abuses, the unit must also meet certain housing quality standards. Landlords providing such units receive what amounts to a guaranteed clientele whose rents are being paid by the federal government. In theory, Section 8 enhances the housing purchasing power (housing demand) of the poor, and this demand should, in turn, cause landlords to increase the supply of eligible low-rent units, either through new construction or through renovation of existing units to bring them up to the mandated quality standards.

Perhaps the most serious problem with the Section 8 program is that the housing vouchers are not entitlements given to every qualifying family; a limited number of vouchers are available each year and they are given mainly to AFDC recipients. Thus, only about one-tenth of the poverty population is actually subsidized via Section 8. It is possible that more complete coverage of the poverty population would appreciably enhance the demand for low-income housing and thus elicit the necessary supply, but this clearly has not happened with the existing level of coverage. As matters stand, few apartments are good enough to satisfy the quality standard but cheap enough to satisfy the rent standard, and nearly half the households who receive a Section 8 voucher in any given year must return it unused because an acceptable unit cannot be found. With the supply of low-income housing continuing to shrink and the need continuing to grow, it is not surprising that the waiting lists for public housing have become prohibitively long. The U.S. Conference of Mayors recently surveyed public housing waiting lists in 27 large cities. The average waiting time from application to occupancy of a subsidized unit was 22 months. In Chicago, the average applicant will wait ten years for subsidized housing; in Washington, DC, 8 years; in New York, 17 years; in Miami, 20 years.<sup>27</sup> The Conference of Mayors' survey also showed that waiting lists for assisted housing had been closed in 65 percent of the surveyed cities due to excess demand.

Tucker has argued in an influential article that rent control in many cities has depressed the supply of low-rent units, and therefore has contributed to the homelessness problem.<sup>28</sup> His evidence

consists of a modest statistical correlation between the estimated number of homeless in a city and whether or not the city exercises rent control. It is rather difficult to take this analysis seriously. First, the number of homeless people is not known with sufficient precision in any city to allow a compelling test of the hypothesis. Available estimates of the number of homeless often vary greatly. Second, the analysis is strictly bivariate, with no possible confounding factors taken into account. It is plausible to suppose that artificially low rents depress the motivation to build new units and thus depress the low-income housing supply; it is also possible that rent control keeps housing within the means of persons and families who would otherwise be on the streets. Probably, both processes occur simultaneously, but the evidence necessary to test for such effects is simply not available.

## Conclusion

The general trend of the 1980s was that more poor people were competing for less low-income housing, a trend noted and remarked upon by many observers. The result has been a serious low-income housing squeeze. According to Dolbeare, there were two low-income units for each low-income household in 1970, and two low-income households for each low-income unit in 1983 (see note 24). In 1975, about 4 million low-income renters paid more than 30 percent of their incomes for rent; in 1983, 16 million low-income renters paid more than 30 percent of their incomes for rent.<sup>29</sup>

Most rental housing in urban areas has come to be priced well beyond the means of the poor. But even poor people have to live somewhere, and increasingly, "somewhere" has meant on the streets. Homelessness, then, is unquestionably a housing problem in that the loss of low-income housing and the growth in the urban poverty population have created a situation in which some are destined to be without housing. This situation suggests that the homelessness problem would be formidable today even in the complete absence of mental illness, alcohol and drug abuse, and all the other disabling conditions to which the homeless are prone.

It is essential in this connection to distinguish between the rules of the game and the characteristics of those who happen to lose when they play the game. Asking if homelessness is a housing problem is rather like asking whether bad luck is why people lose their money in Las Vegas. It is obvious that bad luck or insufficient skill cause some people to lose; likewise, good luck and skill are why some win.

But the laws of probability and the rules of the game ensure that someone must lose and that the losers must outnumber the winners. That there must be more losers than winners has nothing to do with luck or skill; it is the rule by which the game itself is played.

So, too, with homelessness. Recent trends in the poverty rate, in the concentration of the poor in the central cities, and in the low-income housing supply have created an urban housing “game” that some are destined to lose. Who in fact loses is an entirely separate issue, and it should not be surprising that the losers in the housing game turn out to be the most disadvantaged and debilitated sectors of the poverty population: the mentally impaired, the physically disabled, the substance-abusive, the disaffiliated, and the estranged.

Is homelessness just a housing problem? Certainly not. There is a long list of contributing and complicating factors that have been discussed in order to specify the nature of the housing problem. Still, an inadequate supply of low-income housing provides the backdrop against which these other factors unfold. With a large and growing urban poverty population and an inadequate and shrinking supply of low-cost housing, the problem is destined to worsen, and only more housing will make a difference.

In the final analysis, it is fairly obvious that personal disabilities, social estrangement, and extreme poverty will make it difficult for people to secure and retain acceptable housing in the private market. As the number of “competitors” (poor people) grows and the number of “prizes” (housing units) declines, the difficulties become more troublesome still. A diminished federal commitment to low-cost housing, an increasingly punitive attitude toward those on welfare, and a troubled, recessionary economy add further to the housing problems of the poor.

Of course, homelessness and housing interact in many other ways. Racial minorities are heavily overrepresented among the homeless and would no doubt face significant discriminatory housing practices even if they were not disabled, estranged, or impoverished. Also, considering that the incomes of the homeless are nearly zero, any housing that is to be provided to them will require deep, if not total, subsidies; in the absence of these subsidies, it is not reasonable to expect the private market to respond with an adequate housing supply. Some have argued from this point to the conclusion that the zero-rent overnight shelters are exactly what is needed, but the problems with the shelters are such that many homeless people

intentionally avoid them. The halfway point between an overnight shelter and an SRO hotel is a cubicle hotel providing minimum floor space and other amenities and some degree of privacy. But local building, health, and safety codes often rule out such an option; these are still other “housing” issues that impinge upon the problem of homelessness. A final point to note is that most homeless people are single, unaffiliated men; most housing money in existing federal homelessness programs, in contrast, is devoted to helping homeless families or homeless women with dependent children.

It is not written in stone that mentally disturbed people must be homeless. Adequate supported transitional and extended-care housing would be sufficient to undo this troubling pattern. No social or economic laws dictate that alcohol- and drug-abusive people have to be homeless, either. Adequate residentially based treatment and extended-care programs would be sufficient to eliminate most of the homelessness within this group. Even the extremely poor do not have to be homeless; an ample supply of subsidized low-cost housing would obviously prevent this from being the case. There are, in short, many routes by which people become homeless, but every route out of homelessness must sooner or later pass through stable, secure, affordable housing.

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### *Endnotes*

1. See Charles L. Heatherly and Barten Pines, eds., *Mandate for Leadership III* (Washington, DC: Heritage Foundation, 1989).
2. The real purchasing power of Aid to Families with Dependent Children (AFDC) and other welfare provisions has been approximately halved in the past two decades; see Peter H. Rossi, *Without Shelter* (New York: Priority Press, 1989).
3. J. F. Ball and B. E. Havassy, “A Survey of the Problems and Needs of Homeless Consumers of Acute Psychiatric Services,” *Hospital and Community Psychiatry* 35 (1984): 917–21.
4. For evidence on each of these points, see James D. Wright, *Address Unknown: The Homeless in America* (New York: Aldine de Gruyter, 1989) and many other sources cited later.

5. These data are from James D. Wright and Eleanor Weber, *Homelessness and Health* (Washington, DC: McGraw-Hill, 1987). See also Philip W. Brickner et al., *Under the Safety Net: The Health and Social Welfare of the Homeless in the United States* (New York: W. W. Norton, 1990); Institute of Medicine, *Homelessness, Health, and Human Needs* (Washington, DC: National Academy Press, 1988).
6. Peter H. Rossi, *Without Shelter*, 1989.
7. Peter H. Rossi, James D. Wright, Gene Fisher, and Georgia Willis, "The Urban Homeless: Estimating Composition and Size," *Science* 235, no. 4794 (1987): 1336–41.
8. The literature on homelessness and mental illness is vast. Useful overviews include James D. Wright, "The Mentally Ill Homeless: What is Myth and What is Fact?" *Social Problems* 35 (1988): 182–91; Joseph P. Morrissey and Deborah L. Dennis, *Homelessness and Mental Illness: Toward the Next Generation of Research Studies* (Washington, DC: National Institute of Mental Health, 1990).
9. The academic literature on alcohol and drug abuse among the homeless is also extensive. See James D. Wright and Eleanor Weber, *Homelessness and Health* (Chapter 5), for an overview.
10. Also, some homeless alcoholics (and drug addicts) are substance abusive because they are homeless, not the reverse. In a study of homeless Los Angeles alcoholics, Paul Koegel and Audrey Burnham found that although three-quarters had had significant alcohol problems before they became homeless, the other quarter experienced their first bouts of problem drinking after the initial onset of homelessness. See Paul Koegel and Audrey Burnham, "Traditional and Non-Traditional Alcoholics," *Alcohol Health and Research World*, 11 (1987): 28–33.
11. The best available treatment of the disappearance of skid row as an indigenous urban social system is Charles Hoch and Robert A. Slayton, *New Homelessness and Old: Community and the Skid Row Hotel* (Philadelphia: Temple University Press, 1989).
12. Chester Hartman and Barry Zigas, "What's Wrong with the Housing Market?" (Paper presented to the Institute for Policy Studies, Conference on Homeless Children and Youth: Coping with a National Tragedy, Washington, DC, 1989). See also Hoch and Slayton, *New Homelessness and Old*; Philip Kasinitz, "Gentrification and Homelessness: The Single Room Occupant and Inner City Revival," in Jon Erickson and Charles Wilhelm, eds., *Housing the Homeless* (New Brunswick, NJ: Center for Urban Policy Research, 1986); Elizabeth Huttman, "Homelessness as a Long-Term Housing Problem," in Jamshid A. Momeni, ed., *Homelessness in the United States*; Vol. 2, *Data and Issues* (New York: Greenwood Press, 1989).
13. See Special Committee on Aging, *Single Room Occupancy: A Need for National Concern*, an information paper prepared for the U.S. Senate Special Committee on Aging (Washington, DC: U.S. Government Printing Office, 1978).

14. In 1988, the National Institute of Alcohol Abuse and Alcoholism (NIAAA) funded nine community demonstration programs, each involving expanded residentially based alcohol and drug treatment services for the chemically dependent homeless. Results from these nine programs are summarized in a special issue of *Alcoholism Treatment Quarterly* 7 (1990), Milton Argeriou and Dennis McCarty, eds. See also Sue Korenbaum and Gina Burney, "Program Planning for Alcohol-Free Living Centers," *Alcohol Health and Research World* 11 (1987): 68–73.

In 1990, NIAAA announced funding for 14 new (Round Two) demonstration programs, all of them again involving long-term, residentially based treatment programs for the chemically dependent homeless. These are three-year programs and each has a randomized, experimental component to assist in judging program effectiveness, but even preliminary results will not be available for a few years.

15. Wright, *Address Unknown*, 21–22.
16. Michael Stagner and Harold Richman, *General Assistance Families* (Chicago: National Opinion Research Center, 1985).
17. Peter H. Rossi and James D. Wright, "The Determinants of Homelessness," *Health Affairs* 6 (1987): 19–32.
18. James D. Wright and Julie A. Lam, "Homelessness and the Low-Income Housing Supply," *Social Policy* 17 (1987): 48–53.
19. Hartman and Zigas, "What's Wrong with the Housing Market?" 3.
20. For comparative purposes, the poverty rate is more revealing than the raw numbers. The 30-year trend shows that the highest poverty rates—in excess of 20 percent of the population—preceded the War on Poverty. From the early 1960s through 1973 (that is, from the beginning of the War on Poverty to the first Arab oil embargo and the ensuing collapse of the world economy), the rate of poverty in America was halved (falling from 22.2 percent to 11.1 percent). From 1973 through the end of the decade, no further progress was made and beginning about 1980, the rate began to increase, reaching a post-1965 peak of 15.2 percent in 1983 and remaining at mid-1960s levels since. Thus, the secular trends in the poverty rate are much the same as the trends in the total numbers; overall, the pattern is one of progress in the 1960s, stagnation in the 1970s, and deterioration in the 1980s.
21. Beth Rubin, James D. Wright, and Joel A. Devine, "Unhousing the Urban Poor: The Reagan Legacy," *Journal of Sociology and Social Welfare* (forthcoming, 1991).
22. Access, "Federal Monies Support Transitional and Permanent Housing," Washington, DC: Access, 1990.
23. See Barry Zigas and Chester Hartman, "What's Wrong With Our Housing Programs?" (Paper presented to the Institute for Policy Studies, Conference on Homeless Children and Youth: Coping with a National Tragedy, Washington, DC, 1989); Sar Levitan, *Programs in Aid of the Poor* (Baltimore: Johns Hopkins University Press, 1985).

24. On the effects of gentrification, see Michael Carliner, "Is Homelessness a Housing Problem?" in Bingham, Green, and White (eds.), *The Homeless in Contemporary Society* (Beverly Hills: Sage Publications, 1987). On the related processes of arson and abandonment and their effects on low-income housing, see James Brady, "Arson, Urban Economy, and Organized Crime: The Case of Boston," *Social Problems* 31(1983): 1–27. Cogent analyses of the low-income housing supply and its effects on the problem of homelessness include Cushing Dolbeare, "The Low-Income Housing Crisis and its Impact on Homelessness" (Paper presented at Assisting the Homeless: State and Local Responses in an Era of Limited Resources, U.S. Advisory Commission on Intergovernmental Relations, Washington, DC, 1988); Marjorie Hope and James Young, "The Politics of Displacement: Sinking into Homelessness," in Jon Erickson and Charles Wilhelm, eds., *Housing the Homeless* (New Brunswick, NJ: Center for Urban Policy Research, 1986); Michael Lang, *Homelessness Amid Affluence: Structure and Paradox in the American Political Economy* (New York: Praeger, 1989).
25. Elizabeth Huttman, "Homelessness as a Long-Term Housing Problem," 84.
26. Ibid.
27. Gerald Daly, "Programs Dealing with Homelessness in the United States, Canada and Britain," in Jamshid A. Momeni, ed., *Homelessness in the United States*, Vol. 2, Data and Issues (New York: Greenwood Press, 1989).
28. William Tucker, "Where Do the Homeless Come From?" *National Review*, September 25, 1987: 32–43.
29. Kathryn P. Nelson, "Assisting Low Income Families: Policy Implications of Priority Housing Needs" (Paper presented at the annual meeting of the American Sociological Association, Washington, DC, 1990).