A Critical Analysis of Homelessness in the Global North:

Transitioning from Neoliberal Policy into Government Spending that Decreases Marginalization

DEST 591 L01 Research Paper

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"…Multiple policy interventions over the past three decades have created, and perpetuated, the homelessness crisis, and multiple interventions will be needed to end it."

(Phillips, 2017)

Homelessness is a phenomenon across the Global North, and it could be argued that the international political trends of neoliberalism and free market policies in the 1980's created the modern landscape of homelessness. It is worth mentioning that this paper utilizes the term "homeless" rather than "unhoused" despite the popularity of the term unhoused in the literature. It is critical to refer to groups by the terms under which they define themselves, unhoused is a term largely used by academics and elites, and while I recognize the intent to define unhousing as a state of being rather than a personal characteristic—chronically homeless people call themselves as such, so to honour self-determination the author will do the same. I chose this topic due to my involvement with pre-conference planning for the Alberta Community Crime Prevention Association's (ACCPA) 2025 Annual Conference. Homelessness is a major concern throughout urban and rural Albertan cities, and with this in mind I chose to research this as my contribution towards the 2025 conference as well as my individual research for DEST 591. Some of the causes of homelessness can be traced to policies and trends such as gentrification, deinstitutionalization of the mentally ill, high unemployment, the HIV/AIDS crisis, and a decline in expenditure on housing contributing to vulnerable populations taking to the streets. (National Academies of Sciences, Engineering, and Medicine, 2018) Women, Non-white, and Mentally ill people are much more likely to become and remain homeless, and the lasting consequences of homelessness can change the trajectory of one's life in a permanent way. (Mejia-Lancheros et al., 2021) This paper analyzes the topic of homelessness and some of its concurrent social issues through a literature review of the physical and mental toll that homelessness takes in people across The United States, Australia, and Alberta—especially on populations that suffer from

vulnerability and marginalization *in addition* to being unhoused. Next, the history and causation of homelessness is reviewed in the context of Neoliberal policy conflicting with the ideals of people-first housing initiatives, and lastly the impediments to Housing First are reviewed with the intent of bringing awareness to the structural nature of homelessness, and policy changes needed to see continued success in housing first initiatives. Though there is extensive research in the literature about the effects of homelessness on individuals and society, this paper aims to establish a causal relationship between government spending and the ways it can exacerbate or relieve homelessness, with a focus on particular programs that have had success, and ways in which we can increase this. How did decades of Neoliberal government policy create the phenomena of modern homelessness and how can Canadians continue to pursue "Housing First" initiatives in a way that structurally relives homelessness, instead of consistently providing emergency relief to a worsening problem? Overall, Neoliberal policy that has been pursued for decades has resulted in the worsening marginalization of vulnerable peoples, and without adequate expenditure on affordable housing, as well as social supports for those who do not fit into a predetermined role in society—these people will continue to suffer. A societal and governmental shift away from victim blaming and towards establishing equitable housing is the way forwards in this socioeconomic dilemma.

Homelessness is a rapidly evolving phenomena in the Global North that is created by many connected socioeconomic factors. Through the literature on homelessness in the Global North, it is apparent that addiction and homelessness are inextricably related, and that it effects vulnerable and marginalized groups with more severity, as well as being a widespread phenomenon though it was previously believed to be an urban crisis. A study of 2 309 patients in

the emergency department of an American hospital were interviewed regarding their habitual unhealthy use of alcohol and drugs, as well as their history of opioid overdose. The results were divided into homeless and housed respondents, and the findings were 2-fold— that substance use and homelessness are 2 major contributing factors to emergency department visitation in hospitals, and that homeless people were drastically more likely to exhibit addictive behaviors. (See *fig. 1*) The author also questioned respondents on their mental health and found that 58.6% of the homeless population compared to 35% of the housed population claimed to have been diagnosed with mental illness in their life. (see *fig. 2*) This statistic is significant when considering that the deinstitutionalization of mentally ill people was widespread in the 1980's with the pursuit of neoliberal policy, and therefore budget cuts to social services that protect vulnerable populations. (Doran et al., 2018) These findings show that addiction, mental illness, and emergency room visitations are all common features of homelessness that cannot be studied in an isolated way because they are inextricably linked. While there are different forms of homelessness, typically homelessness in the Global North evokes mental images of "rough sleeping", or sleeping in areas that are not intended for human habitation, such as on the street or in a vehicle. An Australian study revealed that rough sleeping appears to have more extreme physical and mental health outcomes for women, as well as more frequent cases of problematic drug and alcohol use, emergency room visits, and emergency services use. Women who were rough sleeping were 10% more likely to report brain injuries, and the interviewer was 10% more likely to observe impaired cognitive function in women. Much of the female population that was using emergency services were indigenous, disabled or previously incarcerated. The results of this study show that homelessness has drastically different effects on different populations, and therefore must be taken on a case-by-case bases with wrap around supports for the many unique

difficulties faced by homeless people, especially indigenous populations and women. Untreated mental illness, impaired cognitive function, and brain damage permanently affect the trajectory of one's life even if they are housed at a later date, these factors can create lifelong vulnerability. (Box, Flatau, & Lester, 2022) While studies of urban homelessness have been commonplace as housing insecurity has become a more prevalent issue, hidden and rural homelessness have come to be studied in the literature as well. According to the Canadian Observatory on Homelessness, hidden homelessness can also be referred to as Provisionally Accommodated. (Observatory On Homelessness, 2012) This is colloquially referred to as "couch surfing" or "doubling up" at someone else's home. This type of homelessness is difficult to study but especially common in rural areas where supports are less readily available than in urban centers. A University of Calgary study saw the need to analyze rural homelessness in Canada, since it is not studied as extensively as urban homelessness, yet it has many of the same recurring themes such as mental health, addiction, and domestic violence. Most communities reported on in this study did not regularly take data on homelessness trends in the area, so while many communities' leadership reported homelessness being on the rise, there has not been an adequate level of monitoring and evaluation to make this claim. (Waegemakers Schiff & Turner, 2014) The findings of this study also promoted case-by-case supports for the unique situations that lead to housing insecurity, as well as pursuing housing first policies. (Waegemakers Schiff & Turner, 2014) Overall, the effects of homelessness disproportionately affect marginalized people as well as exacerbating the effects of addiction in both rural and urban settings. The severity and nuance of the crisis of homelessness should be fought with unique people-centric solutions that allow for case-by-case supports as well as housing first initiatives to address physiological needs before psychological needs.

Homelessness is a crisis centered around inadequate supports for marginalized peoples, which cyclically increases marginalization and further entrenches systemic vulnerabilities in Global Northern societies. This phenomenon creates resentment in the general population when the topic of expenditure on homelessness comes up. The economic toll of homelessness is often discussed with resentment towards homeless people themselves, a mentality that is coined as "victim blaming". During the 1980's in the United States, the department of Housing and Urban Development (HUD) experienced budget cuts of $29 billion dollars in 1976 down to $17 billion dollars in 1990. The Social Security Act of 1980 also increased eligibility criteria for social supports for mentally ill people living in rooming houses. (National Academies of Sciences, Engineering, and Medicine, 2018) These drastic policy changes, combined with both world wars and multiple recessions, created an environment for the creation of vulnerability and the increase of marginalization due to economic downfall and cutting social supports. (National Academies of Sciences, Engineering, and Medicine, 2018) The attitudes of "Housing First" have been present for many decades, for example in 1949 the United States Congress passed a Housing Act that intended to grant "a decent home and a suitable living environment for every American Family." The displaced households at this time were often minorities, these groups were placed in public housing which contributes to segregation and the creation of urban slums. (National Academies of Sciences, Engineering, and Medicine, 2018) The Federal Housing Administration (FHA) was created to help further mitigate the post-war housing crisis, but only offered mortgages to white families. In 1968, the Fair Housing Act was passed which prevented discrimination in housing regarding an applicant's physical abilities or family status, revisions on rules regarding fair and accessible housing took a staggering 50 years to be published. (National

Academies of Sciences, Engineering, and Medicine, 2018) Though it has been idealized, equal access to housing has never been prominent in the United States. One solution to chronic homelessness that has been growing in popularity is Housing First initiatives. The idea started taking off as the brainchild of Sam Tsemberis during his involvement with Housing in New York in the 1990's. Other projects with a similar goal existed before this time, but its growth as a philosophy really began in the 90's. (Homeless Hub, n.d.) Housing First has emerged in the last 3 decades as a radical counter-culture movement against stigmatization in homelessness and chooses to attack the crisis as a systemic societal issue that must be attacked at the root cause. The backbone of Housing First initiatives is to provide a house with no prerequisites such as sobriety or stable income. The belief is that housing is a fundamental human right and to provide physiological needs first, and psychological needs second. Most proponents of this technique believe that it is unproductive to provide supports to someone who is rough sleeping or living in a shelter, as these experiences are so dangerous and psychologically damaging that physical security must be met first. (National Alliance to End Homelessness, 2022) Housing First initiatives emphasis that it is a holistic mentality of handling marginalization and vulnerability within society that revolves around networks of support based on case-by-case situations and prioritizing reliable housing first, and a network of social supports second. Housing First does not mean "Housing Only" and engrains the pursuit of mental and physical health in its approach as program participants become more financially and mentally stable. (National Alliance to End Homelessness, 2022) A common assumption of Housing First is that the expenditure must exceed the benefit, but a recent study discovered that in 2 years of engagement in Housing First initiatives, an average of $31 545 is saved on emergency services expenses per person, per household. Additionally, Housing First programs can cost up to $23 000 less per person, per year

than a shelter. The lack of safe housing through lack of inclusive policy as well as reactive solutions like shelters has proven to be both expensive and ineffective at tackling homelessness as the crisis it is, while initiatives like Housing First have begun to draw devotees and success stories in cities like Medicine Hat. The future of tackling homelessness looks like a bottom-up and individualistic approach to a systemic problem, but decades of neglectful policy creation cannot be undone through one housing initiative alone.

Medicine hat claims to be the first Canadian city to end chronic homelessness utilizing a housing first approach. The definition of chronic homelessness is unhousing for 6 months over the past year or 18 months over the last 3 years. Medicine Hat's metric for success is maintaining chronic homelessness cases at 3 or fewer for 3 consecutive months or more. The Canadian Alliance to End Homelessness has verified Medicine Hat's success, since 2009 there have been 1 323 individuals that have received housing in addition to a 64% reduction in shelter use. (Canadian Alliance to End Homelessness , 2021) Despite this claimed success, the national measurement to end chronic homelessness is sustaining these metrics for 3 months. Medicine Hat maintained this standard for 5 months, and now homelessness statistics are worse than they have been in years. (Labby, 2022; see *fig. 4*) To claim a problem has been permanently solved by maintaining a temporary solution is an ineffective measure, to say the least. In addition to Medicine Hat's shakey success story, Housing First initiatives have drawn criticism from skeptics who do not see it as a holistic approach, despite it's claims to create a network of supports. The Calgary Homeless Foundation produced a report in 2017 that determined 2 key policy developments that contributed to a drastic rise in homelessness in Toronto; firstly, senior government officials withdrew from provision of housing, and an aggressive cut to social assistance benefits. In addition to this, there was a reduction in low-cost private housing like

rooming houses, and a decrease in manual labour jobs. (Phillips, 2017) Interestingly, these budget cuts align with the prior mentioned HUD budget cuts that exacerbated homelessness in the United States. Due to these policy changes, homelessness in Toronto spiked 300% between 1980 and 2000. Looking ahead again to 2017, 4 752 people stayed in a Toronto shelter on April 27, 2017. (Phillips, 2017) In 1995, as Ontario embraced Neoliberalism under Mike Harris' Progressive Conservatives, social services suffered a 21% cut and an inevitable surge of homelessness in Toronto, while organizations like *Streets to Homes* and other Housing First initiatives are held back by an overall lack of federal expenditure on housing. (see *fig. 3*) Based on the findings of this report – Housing First initiatives are seen as effective by relevant actors, but they are impeded by Neoliberal policy. Undoing this policy over time by modifying our collective view on homelessness Is essential to the success of people-centered Housing First initiatives. Creating more shelters, cutting social funding and victim blaming has only increased the problem of homelessness. Neoliberal ideals and policy need to be abandoned as a means of creating a more egalitarian society that is capable of meeting needs on an individual level. A rising critique of Housing First is that it works for a particular type of homeless person, one who has not suffered mental health trauma and has had a home before, someone who was recently integrated into society and can easily reintegrate. (Phillips, 2017) Anecdotally according to Streets to Home staff, that type of mentally healthy and recently homeless individual makes up about 10-15% of the homeless population. As seen in the previously mentioned studies on mental health, addiction, and homelessness – these issues run in tandem. Housing First cannot run on the assumption that every individual can be integrated into society in the way that society currently runs, but this is not the case for those who have experienced extreme trauma and cognitive impairment. Whether these issues caused an individual's homelessness or vice versa is

irrelevant, it is apparent that with neoliberal policy in place, those who do not fit into a societal mold will be left behind due to a lack of affordable housing and benefits. Housing First as an initiative has huge potential due to its structural flexibility to take people on a case-by-case basis and help build them a network of support, while not all metrics of measuring success in fighting homelessness are effective, the more we disintegrate neoliberal policy, the further we will go towards attacking homelessness at the root and providing comprehensive support and affordable homes for everyone.

Homelessness has risen to the forefront of socioeconomic discussions in the literature, in politics, and in the minds of community members across the Global North. While decades of neoliberal policy contributed to cutting social spending and therefore decreasing the protection of marginalized populations, initiatives like Housing First stand to improve the quality of life of individuals who have been made vulnerable by the crisis of homelessness. The more society evaluates the causal relationship between government spending and the worsening or relief of homelessness, the more we can collectively shape our view towards seeing homelessness as a systemic issue that came about through abandoning strong social supports. If the Global North wants to move towards the alleviation of suffering of its citizens—especially mentally ill, non-white, and female citizens, then it is essential to spend at the provincial and federal levels on systems and structures that aim to include a wide array of people in society. In addition to the potential of Housing First and increased government expenditure on housing, we must nationally invest in strong social services around mental health and community to create a holistic sense of well-being. Continued evaluation into services that create community wellness would expand the literature and better equip the academy to transition away from neo-liberalism and towards an egalitarian and inclusive future.

Appendix

fig. 1

Association of homelessness status and substance use characteristics

Alcohol Use[a]						
	Unhealthy Alcohol Use		**AUDIT ≥ 8**		**AUDIT ≥ 20**	
	Unadjusted OR (95% CI)	**Adjusted OR (95% CI)**	**Unadjusted OR (95% CI)**	**Adjusted OR (95% CI)**	**Unadjusted OR (95% CI)**	**Adjusted OR (95% CI)**
Current homelessness	1.82 (1.43–2.32)	1.38 (1.04–1.84)	4.87 (3.16-7.52)	2.83 (1.74–4.60)	4.52 (3.04–6.70)	1.92 (1.22–3.03)
Homeless, past 12 mo	2.09 (1.71–2.57)	1.75 (1.35–2.27)	5.42 (3.79-7.76)	3.57 (2.33–5.46)	5.74 (3.96–8.31)	2.77 (1.76–4.34)
Drug Use[b]						
	Any Drug Use		DAST-10 ≥ 3		DAST-10 ≥ 6	
	Unadjusted OR (95% CI)	Adjusted OR (95% CI)	Unadjusted OR (95% CI)	Adjusted OR (95% CI)	Unadjusted OR (95% CI)	Adjusted OR (95% CI)

fig. 2

Participant Characteristics from an Urban Emergent Department, by Current Homelessness Status.

Physical and Mental Health			
Overall health fair or poor	169 (53.7)	871 (43.9)	0.0013
Mental illness diagnosis (lifetime)	184 (58.6)	694 (35.0)	<.0001

fig. 3

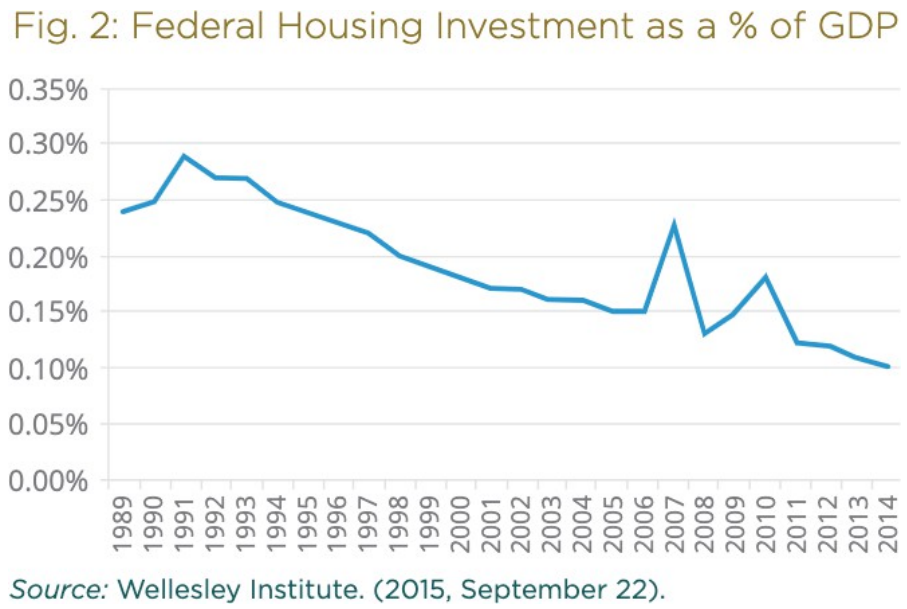
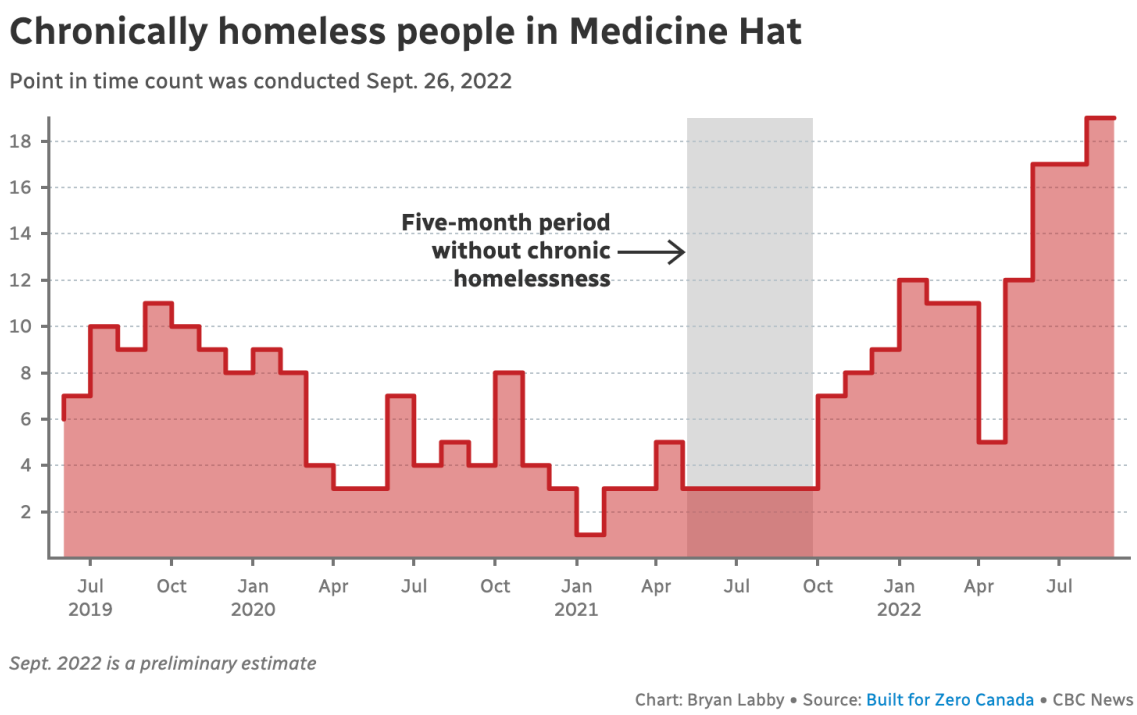

Fig. 2: Federal Housing Investment as a % of GDP
0.35%
0.30%
0.25%
0.20%
0.15%
0.10%
0.05%
0.00%
1989
1990
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2008
2009
2010
2011
2012
2013
2014
Source: Wellesley Institute. (2015, September 22).

fig. 4



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