The Homeless Problem in San Luis Obispo

People began pouring into the complex around 6:30, slowly pulling out the cots they would be sleeping on for the night. Although they talked and joked with one another, an air of defeat pervaded the atmosphere. I sat watching them, noticing the way they dressed and how they interacted with one another. My only thought was that these people were no different from me, except they had no place to sleep. Upon first glance the people seemed hopeless in their despair. They seemed to feel were stuck in their situation with no way out. However, my impression of their hopelessness would soon change.

Once the sleeping room was set up with their cots and privacy sheets, the children came into the sitting room to play together; the parents came out to talk. Screaming and running, around the kids entertained themselves while their parents talked about work. I sat, listening to their conversations, realizing that these people had hope for their lives and children. Before working in the EOC Overflow shelter I thought the homeless were people who had lost hope, no longer caring about work or what happened to them. I felt they were hopeless, and society did not care about their issues. However, listening to these people speak, I realized they were not hopeless. They cared not only about themselves, but about society, working every day towards a better solution for their lives. Intrigued, I began to play with the children to find out more about the parents. Slowly, the parents came to realize that I cared about them and that I was willing to listen to what they had to say.

One man, in particular, was willing to talk to me. He was there with his wife and their two high school daughters. He told me how their situation arose and how he was fighting to better their circumstances. The shelter provided him opportunities that he would not otherwise have had. He explained that the homeless shelter was not simply a place to eat and sleep, but rather a place where people came to learn to work towards a better life. The shelter offers people an address so that they can receive mail to get a job. It provides a place for the people to shower, cleaning up for work and school. The shelter strongly encourages its clients to work, and even helps them in finding jobs. He told me that he had no intention of staying in the shelter much longer. Because of the assistance he had received he was going to rent his own apartment soon. After talking to him for quite some time I came to the realization that the program was not designed solely as a place for the homeless to sleep. Its main purpose is to assist the homeless in finding new residences, and rehabilitate their pride and work ethic. Throughout the night I spoke with various clients of the shelter in order to find out what made them homeless and what the shelter was doing for them. Each person had a different story, but the shelter’ s success hinges upon the number of people it houses. The goal of the shelter is to assist people in finding a job, a home, and becoming a productive member of society again. Truly, a successful homeless shelter would concentrate not on a temporary fix, but rather a permanent solution. Therefore, the only measure of success is the number of people it not only feeds and houses, but also the number of people it assists in finding a job and a home. Attempting to measure the effectiveness of such a
program is entirely subjective. There is no criteria on which to base success except on
the number of people the shelter houses. If the shelter helps only one family in finding
employment and housing, then it has achieved its goal The family with which 1 spent
time was a success story. The mother and father had both found jobs and were in the
process of finding a place to live. They had regained the hope they had lost, as well as
their overall faith in society. They were making progress in getting their family off of the
streets. A charity organization is one that has an idealistic goal, but when it can realize
that goal in just one case, it is a success.

The clientele of the shelter was only slightly varied, with one major trend. All of the
people staying in the shelter had children. The Overflow shelter was designed to
provide housing for people with children who could not fit in the EOC shelter. One
family had both parents present, but the other families had only one parent. The
majority of the families were headed by single female parents, while there was one with
a single male parent. The people staying at the shelter had exhausted their resources.
With no other place to turn, they had to rely on charity to provide them with housing.
The EOC shelter can house fifty people for a night, while the Overflow shelter can
house an additional twenty-five people. Even though San Luis Obispo is a small town,
there is a large population of homeless, too many for the shelter to house, forcing them
to turn some people away. EOC typically allows people to stay there for thirty days at a
time. After thirty days they must find somewhere else to sleep. Every six months
families are allowed to stay there for one block of thirty days. EOC offers meals to all
homeless people in the town. Although the program helps many people, it is simply not
large enough to service the demand. The only way to make it more effective and
efficient is through government subsidies. EOC needs larger facilities and more well
trained staff to assist. As stated earlier the only true measure of success is the number
of people assisted. In order to improve upon the program it needs to be larger, helping
more people in a greater number of aspects in their lives. San Luis Obispo provides
only a small glimpse of the amount of need in today's society.

There are many factors that contribute to the mass poverty of our nation; each person
presents a different case. The most common cause I found at the EOC was that the
people staying there were homeless because of unemployment and a lack of funds.
Although there were many able people staying at there shelter, there were still some
who seemed completely incapable of maintaining employment One woman, for
instance, could not even figure out the bus schedule in order to catch a bus to the other
side of town in the morning. There was not anybody there that who was of ill physical
health; the only disability that I saw was poor mental health. One girl there had done so
many drugs that she could no longer think normally. She was shaking the entire night,
showing symptoms of withdrawal Personally, I feel that people who have incapacitated
their mind with drugs, or other substances are not deserving of aid unless it is to assist
them in freeing themselves of drugs. Their own decisions are what drove them into
poverty. The most common reason, however, was that people could not find jobs that
paid well enough to support the economic level required to live in San Luis Obispo. As
the workplace becomes more automated jobs will become more scarce, creating an
ever-increasing unemployment problem. As the new millennium approaches and people are beginning to look ahead, the job market will require a more sophisticated level of investment in human capital. Future jobs will require people to have a skill, leaving unskilled workers struggling in a weakened job market. People who were able to provide unskilled labor in the past are all finding themselves in the same situation. Since they were a productive member of society at one point they do deserve the aid homeless shelters can provide.

However, the aid given out is still not enough. In order to accomplish its goals effectively, a shelter should also provide job and skill training classes to its clients. The changes in the job market are also raising the cost of living because people who have invested in human capital will be receiving higher pay as a skilled worker, making it even more difficult for unskilled workers to provide for themselves. The study of economics shows the actual mechanisms that are contributing to the homeless and poverty problems. The various models that one studies apply to the lives of the people at the shelter in various ways. The first economic model that applies to the lives of the people staying at the shelter is the wage rigidity and unemployment model. Figure 1 shows that as the demand for unskilled workers decreases, the unskilled labor force rose which results in lower wages for the unskilled laborer.
The figure shows that when the number of potential employees trying for the same job goes up, the demand for those employees will go down, shifting the line $D_I$. The subsequent shift in the line will cause wages to go down, but if people do not accept the decrease in wages, they will, in turn, be laid off. A number of the people spending the night at the homeless shelter had fallen prey to such a problem. Many of them were unemployed, or underemployed. There were many people there who had jobs, but the wages offered were insufficient to pull them out of poverty. The skilled workers, receiving higher wages, will be able to afford a more comfortable lifestyle. Their real wages will increase, causing demand-pull inflation. Figure 2 depicts the effect that demand-pull inflation has on prices.
As can be seen in the above figure, when people in higher skill jobs make more money, they have more money to spend on consumer goods, shifting the demand line to the right. The shift of the demand curve will cause prices to rise from \( P_0 \) to \( P_1 \), causing demand-pull inflation. Unskilled labor workers do not receive pay that compensates them for the shift in prices, keeping them from being able to afford goods necessary for their survival.

The problem of unemployment and underemployment tears at the lives of unskilled workers, keeping them from being able to afford goods that can support their family. Therefore, they will be forced to rely upon the generosity of charity organizations such as the EOC homeless shelter. Charity organizations do help, but their efforts are not strong enough to help all of the people affected. Although there are many people undeserving of aid because of laziness or a drug habit, there are still people deserving of aid, but unable to pull themselves out of their predicament. The government needs to step in and aid impoverished and homeless people. The United States has a massive welfare program that helps many people; however, its efforts are too little too late. The monetary aid given to the poor is not enough to keep them above the poverty line and their in-kind transfers are not enough to house and feed them. San Luis Obispo represents a microcosm for the rest of the nation. The problem of homeless here only shows a glimpse of the magnitude of the problem nationally. Our country is one of the richest in the world; however, it has one of the worst poverty problems of all industrialized countries. The efforts put forth by the government pale in comparison to the efforts of other nations. Without greater assistance from the government, the mass poverty present today will merely perpetuate itself. The theory of the culture of poverty states that as more people rely on welfare their children will learn that living off of government welfare is a socially acceptable solution to the hard work that it takes to
succeed in America. Until the U.S. government changes its welfare policy to one that is more effective in the war on poverty the problems that San Luis Obispo faces will increase both locally and nationally.