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# From paper to plastic: electronic benefits transfer as technology of neoliberalization

## **Abstract**

This analysis refocuses attention to the relationship between neoliberal government practice and co-conditioning rhetorical consequence through examination of Electronic Benefits Transfer (EBT). Operating by a plastic card similar to consumer debit cards, EBT opens new possibilities of consumption for those receiving Food Stamps. Rather than simply signaling a disciplining governmentality, electronic food assistance functions as a technology of neoliberalization, proffering the potentiality of social equity while (re)instantiating class boundaries. I appropriate the finance term *securitization* to specify the disposal of liberalist logics that transform the poor from economic risk to state asset while also leaving the conditions of poverty and food insecurity unchallenged.

## **Keywords**

Food stamps, post-Marxism neoliberalism, securitization, food security

## **Disciplines**

Economic Theory | Environmental Studies | Inequality and Stratification

## **Comments**

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## From Paper to Plastic: Electronic Benefits Transfer as Technology of Neoliberalization

Kathleen P. Hunt<sup>1</sup>

This analysis refocuses attention to the relationship between neoliberal government practice and co-conditioning rhetorical consequence through examination of Electronic Benefits Transfer (EBT). Operating by a plastic card similar to consumer debit cards, EBT opens new possibilities of consumption for those receiving Food Stamps. Rather than simply signaling a disciplining governmentality, electronic food assistance functions as a technology of neoliberalization, proffering the potentiality of social equity while (re)instantiating class boundaries. I appropriate the finance term *securitization* to specify the disposal of liberalist logics that transform the poor from economic risk to state asset while also leaving the conditions of poverty and food insecurity unchallenged.

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Between the demoralizing workfare debates of the 1980s and the rancorous 1996 Welfare Reform Act,<sup>1</sup> Electronic Benefits Transfer (EBT) was highly promoted in the early 1990s not only by the federal government but also retail and advocacy groups. Representing a “revolutionary<sup>2</sup>” innovation to be “pioneered<sup>3</sup>” in the Food Stamp Program, EBT would be eventually implemented across the entire US welfare system. The era of welfare reform is hallmarked by deep cuts in social spending and hardened eligibility requirements, instigating vitriolic debates that pivot on the role of the state and neoliberal fiscal responsibility.<sup>4</sup> In such a context, paper food stamps, a cash-like form of government benefits, were increasingly seen as burdensome- printing and mailing vouchers was costly, and recipients had to collect their monthly benefits at state welfare offices- and a source of crime, violence, and social stigma.<sup>5</sup> Indeed, as paper food vouchers, Food Stamps were easily identifiable in store checkout lanes, required retailers to physically bundle redeemed coupons and wait for government reimbursement, and could not be redeemed across county lines. Congress, banking and retail groups, as well as anti-hunger advocates all embraced the possibilities of EBT with little contention, seemingly supporting those who are all too often villainized in welfare discourse: the food insecure.

Yet, this conjuncture is also marked by an economic landscape transmogrified by a neoliberal discourse of “economization” that mobilizes democratic appeals to “extend[] a specific formulation of economic values, practices, and metrics to every dimension of life.”<sup>6</sup> In so doing, neoliberalism “open[s] up new arenas for capitalist profit-making<sup>7</sup>,” the proliferation of global finance and information technologies ushered in a new era of digitalization and globalization, while also deepening manifestations of inequality. Indeed, through the 1980s, debit and credit card transactions were becoming more common across the neoliberal

marketplace. Further, electronic funds transfer (EFT) made possible the automatic deposit of salary and other labor benefits into individual bank accounts. For Food Stamp Program participants, 73% of whom were “unbanked” in 1990,<sup>8</sup> these modern financial technologies streamline the disbursement of monthly benefits, proffering bank-like capabilities in the form of government financial accounts and a “secure card<sup>9</sup>” that effectively eliminate monthly visits to state welfare offices. Replacing paper vouchers with direct deposit and electronic payment technology could “bring [welfare recipients] into the electronic age.<sup>10</sup>” EBT thus signifies the potentiality of “normal<sup>11</sup>” consumption: even as it generates new possibilities for an “unbanked” population entering the economic mainstream, and obscures the stigma of paper food stamps, EBT still functions to (re)articulate class relations.

Neoliberalism continues to galvanize critical/cultural studies scholarship; yet this term generally has tended to articulate consumerism,<sup>12</sup> “new” economic practices,<sup>13</sup> and the general milieu of late-capitalism.<sup>14</sup> Although neoliberalism may overlap with each of these themes, it is more than a signifier for capitalism run amuck. Heeding recent calls for conceptual clarity<sup>15</sup>, this essay re-emphasizes a post-Marxist conceptualization that understands neoliberalism as a project of potentiality,<sup>16</sup> organizing economic and social activity for the accumulation of capital. Specifically, as a discursive process<sup>17</sup> neoliberalization is characterized by the (re)articulation of liberalist logics with market-based imperatives, promoting economic viability while also (re)instantiating class relations.<sup>18</sup>

With this in mind, I consider the function of food assistance in the process of neoliberalization. The security offered by EBT- protection of recipients from violence and social stigma, as well as retailers and the state from fraud and abuse- also elides an effort to bolster finance, electronics, and retail industries on the backs of the poor. In this way, I suggest, EBT

articulates the securitization of capital. To unpack this claim, I analyze Congressional hearings and government agency reports promoting electronic food benefit disbursement technology during its introduction in the early 1990s. I appropriate *securitization*, a finance term referring to the process of generating cash flow by converting debt instruments (such as loans) into tradable assets, to specify a discursive mechanism for disposing responsibility, freedom, and accountability as neoliberal logics. EBT thus *securitizes*, via these logics, by enabling Food Stamp recipients' transformation from economic risk and social liability to state asset while also (re)instantiating poverty and food insecurity.

### **Neoliberal Governmentality, Disposability, and Securitization**

Analysis of neoliberalism and its entailments has galvanized critical scholarship since the turn of the 21<sup>st</sup> century. Indeed, since the 1980s, a period characterized as the “neoliberal turn,<sup>19</sup>” political, economic, cultural, and social flows have been transformed in sweeping and pervasive ways; critical scholars are aptly positioned to unpack, examine, and critique these shifts. However, neoliberalism has in many ways become a conceptual catch-all for the state of a globalized economy and, as Garland and Harper aptly critique, too often an all out replacement for capitalism in critical scholarship.<sup>20</sup> Such broad application can neglect more complex considerations of how “the internal workings<sup>21</sup>” of this mode of political-economic practice (re)articulate class by directing economic activity toward the concentration of capital.

Economic policies like structural adjustment, industrial deregulation, and the privatization of social programs, policies that have significantly reorganized the now global economy, have become prototypical harbingers of the neoliberal turn.<sup>22</sup> These practices (re)articulate relations of neoliberal power, discursively arranging “wealth, resources, [and] means of subsistence<sup>23</sup>” in ways that are both enabling and constraining. Structural adjustment,

for example, opened material flows of capital by creating markets, increasing trade, and restructuring debt, yet these policies also resulted in high rates of poverty and weakened social support structures.<sup>24</sup> Thus, while the potentiality of neoliberal governance has created unrepresented economic possibility, it has also deepened the conditions of inequality.

Critical scholars have widely characterized patterns of neoliberal political economy; as Hardin explicates, *neoliberal* is a polysemous term.<sup>25</sup> Philosophical “camps” or theoretical “modes” differentially articulate neoliberalism as a political rationality, epochal concept, regime of power/knowledge, technique of governance, or subjectivity<sup>26</sup>. For example, while Harvey draws from Marxist political economy to theorize neoliberalism as a hegemonic ideology, Brown uses Foucauldian governmentality to define it as a political rationality, Ong, following Agamben, conceives of it as an “array of techniques,” and Greene articulates materialist rhetoric to consider how discourse enfolds into a governing apparatus.<sup>27</sup> Though it is beyond the scope of this article to retrace the conjunctions and contradictions of these lines of thought, what might most broadly connect these “camps” is a conception of the neoliberal as a mode of political-economic practice with co-constitutive rhetorical consequences. In other words, the neoliberal mode is animated by rhetorical practice that enfolds daily life into governing institutions and also (re)instantiates the relations of capital that sustain those institutions.

This is an important point because, I suggest, too often critical/cultural scholarship forecasts the consequence of rhetorical practice while neglecting its co-constitutive function. While analysis of neoliberal policies has demonstrated how deregulation and privatization, for example, elevate entrepreneurialism and individualism while deriding social difference and eroding collective action,<sup>28</sup> fewer have done the hard work of examining “how different rhetorical techniques enable different institutional forms to govern.”<sup>29</sup>

Indeed, much of the work critiquing neoliberal practice too often treats neoliberalism as the ground on which phenomena that “*signal* the pervasive, predatory, mode of politics...and domination that now characterize[s] everyday life” function as the figure of analysis.<sup>30</sup> For example, in a recent analysis LeMaster presents *RuPaul’s Drag U* as emblematic of the consumer- and competition-driven “neoliberal mainstream.”<sup>31</sup> The essay briefly and superficially describes neoliberalism as a normalizing regime manifested via reality television. Explicated as a hallmark effect of the neoliberal mode, “neoliberal freedom” is realized when subjects make the “right” choices in relation to the regime’s “mythical normative center” to which subjects’ bodies are always already constituted.<sup>32</sup> Jones and Mukherjee similarly emphasize the normalizing imperative of neoliberalism expressed in affirmative action policies. The “neoliberal myth”- the paradoxical favoring of free markets and small government while organizing a political economic system that requires state intervention<sup>33</sup>- grounds this examination of affirmative action movements. In both cases, freedom is diagnosed as an *effect* of the hegemonic regime; this leaves the co-conditioning function of normalization (and consumption, individualization, and so on) as a rhetorical technique unexamined. What more might be gained when, for example, normativity and freedom are considered not just as signifiers of neoliberalism’s manifestation, but instead as rhetorical technologies that enable neoliberal governance and (re)articulate class relations?

My inclusion of these works is not an indictment; these analyses make valuable contributions to queer theory and critical race theory, respectively. Treating personal responsibility, freedom, and accountability, among other neoliberal exemplars as *signals of a* mode of governance that blindly seeks the “‘economization’ of political life,”<sup>34</sup> has allowed critical scholars to richly describe neoliberal discourse and catalogue neoliberal practice. Yet, I



submit, in making the identification of a practice *as* neoliberal our end point, limiting our attention to the consequences of rhetoric, we leave the co-constitutive aspect of neoliberalism's rhetorical consequences unexamined. In other words, we fail to engage the complexity of the neoliberal mode, its ramifications for capital accumulation; in short, we risk foreclosing possibilities for immanent critique of capitalism. It is with this in mind that a post-Marxist conception of *neoliberalization* can refocus attention on the (re)articulation of neoliberal class relations via rhetorical technologies. Such a move highlights the relationship between neoliberal practice and co-conditioning rhetorical consequence.

Neoliberalization, the discursive process by which neoliberal policies and socio-cultural phenomena become articulated, operates by “converting the distinctly *political* character, meaning, and operation of democracy's constituent elements into *economic* ones.”<sup>35</sup> Specifically, neoliberal discourse takes up ideals of liberalism- freedom, independence, and the like- to recast the relationship between government and knowledge. Indeed, neoliberalization *disposes* these logics via rhetorical technologies. Emphasizing Foucault's<sup>36</sup> definition of the art of government as “a right manner of *disposing* things,<sup>1</sup>” references an active process, denoting a means of organization (as in *disposing*, to manage) toward the simultaneous arrangement and displacement of discursive objects and subjects. For example, as Ong demonstrates, neoliberal policies can both preserve social safety net benefits, while also excluding populations from welfare.<sup>37</sup>

In this view, neoliberalization articulates a process that discursively disposes liberalist logics, opening new possibilities for economic viability while also (re)instantiating relations of capital, including class inequality.<sup>38</sup> This may be accomplished through the disposing of multiple neoliberal logics at once. As they are *disposed* via neoliberal governance, logics of responsibility and accountability become (concomitantly and contingently) activated by

discursive technologies (in this case, food assistance, as I explicate below). Critical scholarship need not limit itself to examination of the dynamics and implications of a single element of the neoliberalization process.

When liberalist logics- like freedom, responsibility, and accountability- become re-articulated with market-based imperatives they take on a new meaning of economic optimization that makes possible (or *disposes*) particular subject positions and enables a variety of discursive practices, enfolding daily life into governing institutions; these rhetorical consequences also (re)constitute the relations that sustain the governing apparatus. However, the rhetorical consequences of neoliberalization, though “suffused with the circulation of power,” are not “determined in advance by the power of the knowledge apparatus at work.<sup>39</sup>” Indeed, this is because neoliberalization is not monolithic but rather contextual; its goals<sup>40</sup> are not mechanistically achieved but are instead animated by rhetoric.<sup>41</sup> In other words, instead of simply signaling the manifestation of a hegemonic mode, rhetorical technologies enable forms of neoliberalization and co-constitute relations of capital via the disposing of liberalist logics. In this case, the securitization of new space for neoliberal capital is activated through logics of responsibility, freedom, and accountability, while it also (re)articulates class relations.

Part and parcel of the economic restructuring experienced through the late 1980s and 1990s was the uptake of information technology and digitized computer databases to guide economic decision-making and maximize the reach of the market.<sup>42</sup> In such a context, I submit, electronic food stamp disbursement technology (EBT) thrusts food stamp recipients into the (new) economic mainstream, offering this previously ‘unbanked’ population opportunities for consumption that were previously unavailable to them. EBT thus functions as a technology of neoliberalization through *securitization*. This term originates in finance, referring to the process

of transforming debt instruments (financial risks), such as loans, into saleable or tradable commodities (profitable assets).

Though the practice originated in the 1930s, securitization gained prominence as “one of the most important and abiding [financial] innovations” in the context of deregulation and competition fostered by the shifts in the banking sector 50 years later.<sup>43</sup> Specifically, securitization identifies the process of re-packaging loans (known as a *security*) and “enhancing their credit status or rating to further their sale.”<sup>44</sup> By selling off the collateral put up for the original loan, the risk of financing debt instruments is distributed among a pool of capital investors who each purchase a portion of the assets to be re-paid with interest as a bond.<sup>45</sup> The cash flow generated by these sales provides both issuers and investors a source of finance—banks receive income from the original sale of the loans, investors receive payments through the bonds sold for interest. Thus, as more individuals take out loans, those who participate in the asset pool accumulate profit, though this is generated from others’ debt.

For mortgage seekers with poor credit, for example, securities represent the potentiality of capital via homeownership.<sup>46</sup> Yet, as illustrated by the proliferation of “poverty industries<sup>47</sup>” and continued patterns of predatory lending, the potentiality securitization articulates does not challenge the relations of neoliberal capital. Indeed, this material discursive process of securing capital (i.e. cash flow) effectively obscures the original risk from which profit is generated. Securitization is thus an articulatory process that (re)instantiates neoliberal class relations.

Securitization thus offers a critical heuristic for examining the function of EBT. That this term signifies financial practices dovetails with the emphasis on market functions and the enhanced role of the finance sector that has characterized neoliberal policy since the 1980s. More importantly, the notion of the transformation of risk (liability) into assets (cash flow) illustrates, I

suggest, how via securitization EBT disposes responsibility, freedom, and accountability as neoliberal logics. EBT securitizes by opening space for neoliberal capital while also (re)instantiating class relations.

In what follows, I analyze securitization of the poor through EBT via the disposing of responsibility through financial management, freedom in the digital network, and accountability through electronic surveillance. By shifting from a benefit disbursement system based on the printing and distribution of paper food coupons to one that electronically transfers funds to beneficiaries' accounts, EBT transforms an "unbanked" population into economically viable neoliberal assets. Boosted profits to banking, finance, and retail industries from the proliferation of electronic debit technology brings all parties "online," or the digital grid; the "issuer" (federal and state government) and "investor" (banks and retail) profit from the social debt of food assistance, while Program participants enter the (new) economic mainstream. By proffering social equity via payment technology- transforming food stamp recipients into debit-*like* consumers- EBT functions as a technology of neoliberalization that securitizes capital and (re)instantiates class relations.

### **Electronic Benefits Transfer: Transforming a "No-Win" into a "Win-Win"**

Simply put, EBT operates in a similar fashion to the EFT received by the "banked": funds are automatically deposited into an account for use with a plastic card at point-of-sale (POS) terminals. Indeed, these similarities constitute the potentiality of "normal" consumption articulated by EBT. However, food stamps benefits disbursement immediately presents three key differences from consumer EFT. First, as of 1990 most welfare recipients were "unbanked"- that is, without access to a bank account and, concomitantly, presumed unable to know how to use plastic bankcards. Second, food stamp recipients receive their funds from a government program,

not an employer, and therefore require an account into which only Program benefits can be automatically deposited and accessed only by a debit-like card provided by the USDA. Finally, food stamp benefits can only be used on eligible food items, and are therefore only accessible via POS devices at authorized retail stores.

In all appearances, and despite the differences noted above, EBT signifies the potentiality of economic equality, and was promoted as such by Congressional representatives, consumer groups, and even anti-hunger advocates. Indeed, the US Treasury touts EBT as a “tremendous opportunity,<sup>48</sup>” the Congressional EBT Task Force articulates it as distinctly “modern,<sup>49</sup>” and the USDA hails it as an “exciting new technology” that will “empower Food Stamps recipients.<sup>50</sup>” Praise for an electronic food benefits system emphasizes three overlapping properties: debit-like capabilities, streamlined distribution, and anti-fraud enforcement. As a neoliberal technology, EBT actualizes these properties to securitize food assistance recipients into the economic mainstream.

Like other sectors of the American workforce capitalizing on EFT technology, EBT effectively “bring[s] Food Stamps into the computer era.<sup>51</sup>” By relying on a digital network of automatic deposits and account management, EBT also strategically bolsters the reach and power of the financial and banking sectors. The elimination of paper food coupons removes the need to exchange physical food stamps in the grocery line, thereby streamlining the purchase process, reducing social stigma, and increasing retail sales. EBT discursively obscures the difference in payment (paper food coupons versus debit), yet, as the analysis illustrates, also reifies the boundary between Food Stamp recipient and “normal consumer.<sup>52</sup>”

As a technology of securitization, EBT functionally transforms the risk of food stamps and the poor, always already articulated as social debt into a state asset. EBT discursively

disposes responsibility, freedom, and accountability as neoliberal logics, signifying the potentiality of “normal” consumption while (re)instantiating class relations through financial management, a digital information network, and electronic surveillance, creating new space for capital accumulation while also (re)instantiating the conditions of systemic poverty.

### **Responsibility through Financial Management**

By transforming Food Stamps from an “antiquated<sup>53</sup>” paper coupon system EBT “us[es] the standard controls and operations of the commercial infrastructure” to shift funds disbursement to the finance industry.<sup>54</sup> Through bank-*like* accounts into which monthly food benefits are automatically deposited, and debit-*like* payment technology, EBT obscures the boundary between Food Stamp recipient and ordinary consumer. Securitizing the poor via electronic payment technology integrates the “unbanked” into this new economic mainstream, opening space for capital accumulation in the banking and retail sectors. In so doing, EBT disposes a logic of responsibility that promotes financial literacy and money management, while also re-instantiating class relations and leaving the conditions of poverty unchallenged.

The commercial infrastructure for debit and credit cards, including capabilities for electronic banking and installation of automatic teller machines (ATMs) and point of sale (POS) terminals, “exploded in the marketplace” in the late 1980s.<sup>55</sup> Yet by 1990, an estimated 28 million recipients of direct government benefits did not have access to bank accounts.<sup>56</sup> Without access to a bank, the poor face a number of benefits-disbursement difficulties associated with their lack of financial access. For example, paper food vouchers had to be issued by a state office, leaving recipients vulnerable to the stigma of welfare lines; benefit coupons would also have to be physically carried to a retailer, increasing the risk of theft; benefits could not be redeemed across county or state lines, limiting food access in the event of travel or relocation. In

this way, food stamp recipients always already constitute “a level of our population which is all but disenfranchised from mainstream America.<sup>57</sup>” Because access to bank accounts is now “one of life’s necessities,”<sup>58</sup> EBT paternalistically invites Food Stamp recipients to “gain familiarity with the financial community<sup>59</sup>” and “participate in the American dream.<sup>60</sup>”

For all intents and purposes, EBT cards look, act, and are processed just like the debit cards increasingly used by the 1990s consumer: a plastic card emblazoned with a bank-like logo and the account-holder’s name with a series of numbers engraved on the front, and a magnetic stripe on the back. Having benefits automatically refilled each month frees recipients from monthly visits to the welfare office, offering food stamp recipients something similar to the convenience enjoyed by those with access to regular private bank accounts. Point-of-sale (POS) devices at the check-out counter allow EBT users to make purchases more discretely because all “plastic debit cards look alike.<sup>61</sup>” Bringing electronic government benefits online with the existing commercial infrastructure creates the potentiality of “normal” consumption via EBT.

Under the paper voucher system, the beneficiary would receive their monthly benefit allowance as a bundle of paper coupons, and because coupons were printed in whole-dollar amounts, recipients had to carry more vouchers than needed to complete a single purchase. The EBT user can now authorize the exact amount needed for a transaction, including change. This technological innovation now means that “[food stamp recipients] do not have to withdraw the entire amount of their benefits, and can keep funds secure until needed.<sup>62</sup>” Further, these tools “help recipients gain...experience in tracking account balances to budget funds.<sup>63</sup>” Moralistic appeals to convenience and equitable access to banking resources articulate EBT as consumer debit technology; these appeals also re-inscribe class boundaries via a logic of responsibility. Indeed, Food Stamp recipients may be empowered by this new technology, but do not escape the

stigma of poverty as they are presumed incapable of managing their benefits or budgeting their monthly funds.

Like consumer debit cards, EBT requires the use of a personal identification number (PIN) to complete each transaction. As the “key to [one’s] benefits<sup>64</sup>” this code is also the “key” to responsible financial management, securing one’s benefits by making the cardholder liable for any loss of funds. Unlike debit consumers, however, it must be “hammer[ed] home to [food stamp recipients] that that PIN is very important<sup>65</sup>,” and agencies administering EBT must “instill client responsibility,” such that “once we have put that benefit into his account, now it becomes his responsibility to maintain control of that account.<sup>66</sup>” In this context, “controlling” one’s EBT account articulates with the responsibility of managing how and how much of one’s monthly benefits are used. Furthermore, for any “recipients who may consider trading their food stamps for cash,” the PIN also effectively securitizes against the “temptation [to] hand over their card and access code” in order to participate in criminal activity.<sup>67</sup>

While all debit cards may be secured by PIN, only EBT transactions generate receipts that, along with purchase information list the remaining account balance. These receipts are another tool for responsible account management, as Representative Tom Lewis urges: “we would...have to tell [food stamp recipients], or instruct the people that they have to keep those receipts and look at this and know how much they have to spend the next time they go to the store.<sup>68</sup>” Indeed, food stamp beneficiaries are expected to be trained and educated on proper use of their EBT card.

Some media accounts report participants in EBT pilot programs indicating increased financial efficacy from the account balance feature of the new benefit disbursement technology. For example, Cindy Makert reflects on her experience using Maryland’s Independence Card: “It



makes me feel like I'm managing my money, instead of just waiting for...welfare.<sup>69</sup>” Maggie Rogers, another Maryland resident, expresses similar sentiment: “EBT is helping me learn how to do it [budget] on my own.<sup>70</sup>” The ability to manage money, access bank accounts, and complete debit card transactions signify neoliberal financial responsibility, yet it is important to note that these same qualities also demarcate class boundaries. Debit consumers are not subject to the same expectation of education and training for using bankcards; it is also presumed that food stamp beneficiaries were wholly unable to account for their benefits under the paper voucher system.

By transforming social liability into state asset, EBT secures space for the accumulation of neoliberal capital via “food stamp *business*.<sup>71</sup>” EBT presents significant benefits for financial institutions and retailers: increased revenue through the expansion in the use of POS systems. By 1990, 13.9 million enrollees received Food Stamps, representing \$7.7 billion in purchase volume.<sup>72</sup> EBT thus constitutes a significant shift of cash-like paper payments to debit-like electronic transactions; the number of debit transactions was expected to “double or triple” by 1995.<sup>73</sup> For retailers, the growth of electronic payment technology “increases service to customers, which promotes loyalty,” in turn “increase[ing] customer volume and therefore additional sales.<sup>74</sup>” Accommodating this rapid expansion necessarily required retailers “to modify some of their activities<sup>75</sup>” by investing in POS systems. Indeed, by 1996, supermarkets would be mandated to include a POS device at every check-out lane.<sup>76</sup> Financial institutions profit from the sale and distribution of the terminals as well as through the collection of debit processing fees. EBT thus securitizes food stamp recipients by enhancing their economic viability and propping up the banking and retail sectors, making food stamp recipients responsible to neoliberal capital.

As a rhetorical technology of securitization, EBT disposes a logic of responsibility, articulating the potentiality of “normal” consumption as financial management; this is predicated on a paternalistic presumption of illiteracy that re-inscribes the stigma of poverty. In other words, despite the advent of EBT, food stamp recipients cannot fully escape their second tier status as appeals to personal responsibility belie the structural inadequacies embedded in the Food Stamp Program itself. For example, Janice Lilja of the USDA points to the fact that, “ninety percent of...food stamp households use all of their benefits before the end of the month<sup>77</sup>” as a rationale for EBT’s financial management potential. However, it is well documented that low benefits continue to fuel what is known as the “boom and bust” cycle of the Food Stamp month well into the 21<sup>st</sup> Century.<sup>78</sup> When articulated as an “education problem,<sup>79</sup>” managing one’s paltry monthly food budget becomes a matter of the recipient’s personal responsibility rather than emblematic of the conditions of poverty. EBT is thus hailed as a corrective to the stigma of financial illiteracy, securitizing the social debt of state-sponsored food assistance through financial training, while it also leaves structural inequality in tact.

### **Freedom in the Digital Network**

Banking and retail industries were embracing electronic and digital technologies, including automatic teller machines (ATMs) and POS terminals, as early as the 1970s. Debit technology opens possibilities for increasing consumer flow -that is, physical and capital throughput- by making financial translations more efficient. By translating payment data into binary code, a retailer can quickly access consumers’ financial information, electronically verify the availability of digital funds, and complete a sale. In this way, consumers (debit and debit-like) and retailers enter an interlinked telecommunications network. For electronic food benefits, however, the freedom proffered by the EBT digital network trades convenient and efficient

financial exchange, articulated for food assistance beneficiaries as food access via purchasing power, for enhanced sales data monitoring (in this case, by federal authorities). Securitizing the poor via EBT elevates an always already secondary money form to a debit-*like* status, freeing all parties (federal and state agencies, retailers, and beneficiaries) from the inefficiency of the paper voucher system. Disposing a logic of freedom, EBT creates space to monitor and (re)direct capital flow while leaving the second tier status food stamp recipients in tact.

EBT's digital capability necessarily "bring[s] the Food Stamp Program into the electronic age."<sup>80</sup> The electronic aspect of EBT denotes the computerized and thereby, modern, features of this new technology, articulating the paper coupon system as expensive and cumbersome.<sup>81</sup> EBT signifies the potentiality of "normal" consumers' debit transactions by eliminating the burdensome status of the paper system. For retailers, EBT offers respite from time-consuming tasks like counting and bundling vouchers at the end of each business day; the automatic deduction of the exact purchase price amount from recipients' accounts also eliminates long waiting periods for credit reimbursement. Customers can also "buy food more quickly, more discretely, simply by handing over their card" increasing sale volume.<sup>82</sup> EBT normalizes food stamp transactions by removing tasks specific to the administration of redeeming benefits.

For the food stamp beneficiary, the digital nature of EBT offers freedom from the risks associated with paper food vouchers in two important ways. First, paper coupons are consistently articulated in violent terms: letter carriers are accosted on the first of the month<sup>83</sup>; recipients are assaulted when visiting the local welfare office<sup>84</sup>; and professional trafficking rings exchange food stamps for guns and narcotics.<sup>85</sup> Second, paper food stamps function as a "second currency"<sup>86</sup>, "signify a more conspicuous form of payment and, thereby, diminished purchasing power.

As a “second currency,” paper coupons are akin to dollar bills— they are “negotiable,” that is, their value can be readily assessed, and by extension, they cannot be traced to any particular recipient upon redemption.<sup>87</sup> Indeed, Representative Robin Tallon draws on this analogy when he questions the system of mailing out monthly benefits: “that would be very much like mailing out hard currency.<sup>88</sup>” As such, food stamp vouchers are highly susceptible to the “underground network<sup>89</sup>” of professional traffickers and others who are all too willing to exchange food coupons for cash. An EBT card, by contrast, is significantly less negotiable and thereby safe from “unscrupulous rip-off artists<sup>90</sup>” because of the PIN and POS required to determine an account balance and redeem benefits.

As a mainstream, and therefore less conspicuous, form of payment, EBT frees food stamp beneficiaries from the limited food access that stigmatizes government assistance. Importantly, it is through the expanding network of POS terminals that the U.S. Treasury re-articulates the “dignity” proffered via EBT: more POS terminals brings more stores online, linking purchases across state and county lines.<sup>91</sup> For food stamp recipients, the digital network afforded by the POS system boosts food benefits’ portability as benefits can now be used across state lines, thereby extending food access (read: purchase power).

EBT frees beneficiaries, retailers, and government administrators from the burdensome status of paper food vouchers; food stamp recipients do not, however, escape their delinquent status as the digital processing network (re)instantiates their class difference. Unlike “normal” credit and debit cards, a retailer must first apply for a Food Stamp license and gain USDA authorization before EBT can be accepted. This application process connects the retailer into the Store Tracking and Redemption Subsystem (STARS), an online database housing application and reauthorization files, owner and store information, as well as benefits redemption data.<sup>92</sup>

This digital payment network creates an audit trail linking the EBT account holder to the government benefits issuer, through which retail transactions will be monitored. While consumer bankcards are monitored and audited by the banks that issue them, individual transaction data is not subject to the same scrutiny by federal agencies as EBT transactions; as I illustrate in the final section of my analysis, this also opens food stamp purchases up to scrutiny from which consumer debit purchases are exempted.

Under EBT, payment information flows between the benefits issuer (federal and state government) and the recipient's account. When debited via POS at a retail store, the food stamp vendor receives the value of the day's food stamp transactions back from the bank via credit transfer.<sup>93</sup> When an EBT transaction is made, redemption data is automatically logged in the federal STARS database, to which local Food Stamp field offices also connect via modem and computer software.<sup>94</sup> Investigators can flag retailer files for investigation and/or issue monetary penalties or Program disqualification if necessary.

In 1993, Food Stamp retailers trafficked an estimated \$815 million in federal benefits. By 1996, when EBT was implemented in 25 states, the rate of retailer fraud decreased by 19%; heightened security via the data network is cited as a significant factor in this reduction.<sup>95</sup> EBT thus transforms the illegal underground network constituted by paper food stamp traffickers into a digital information network comprised of food stamp recipients, authorized retailers, federal and state administering agencies (including the USDA), and investigators. By using their now electronic food benefits, beneficiaries are effectively put *online* in ways that they would have otherwise avoided through the paper voucher system, now that individual redemptions are logged in a nationwide database. In this way, food stamp recipients retain their always already

illegitimate status, as “normal” debit consumers simply are not subject to the same level of scrutiny.

Through digitization EBT disposes a logic of freedom, articulating the potentiality of food stamps as a cost-saving enterprise; yet among the possibilities opened up by this transformation is increased monitoring of transactions for wasteful and fraudulent activity. The electronic aspect of EBT articulates with modernization, freedom from an archaic paper-based Food Stamp Program through increased efficiency and streamlined distribution and payment. This is accomplished by bringing food stamp recipients into this digital information network that now subjects EBT purchase activity to data monitoring in ways other consumer debit cards are not tracked. In this way, the *a priori* subject position of economic burden becomes (re)instantiated even as EBT securitizes the social debt of state-funded digital benefit accounts.

### **Accountability through Surveillance**

As a project of potentiality, neoliberalization articulates new possibilities for capitalist profit-making,<sup>96</sup> promoting economic viability by disposing liberalist logics like responsibility, freedom, and accountability. As a co-conditioning rhetorical consequence, the (re)instantiation of class relations perpetuate the potentiality of this mode.<sup>97</sup> As the analysis has thus far illustrated, EBT thrusts the Food Stamp Program into the (new) economic mainstream. The proliferation of financial technology expands capital flow through the liquidity of “food stamp *business*.”<sup>98</sup> The digitized nature of EBT also opens the door for monitoring criminal activity and tracking sales, ensuring the proper flow of capital while securitizing food stamp recipients’ second tier status. In this context, surveillance articulates the proper use of food stamps; accountability is disposed as economic discipline.

For example, in a federal task force report, EBT is articulated as a means for “Improving Accountability” because it enhances “control over the use of taxpayer money.<sup>99</sup>” Testifying before a House Sub-Committee, one state Food Stamp Program administrator elaborates: “For accountability, we think it is extremely important for the recipients of the Food Stamp Program, and for the public at large, to be assured that the food stamp benefits are utilized for the *intended purposes* for which they were granted,<sup>100</sup>” an obvious reference to the purchase of eligible food items at authorized retailers. Economic activity such as exchanging Food Stamps for cash on the black market operates outside legitimate circuits of neoliberal capital, “wasting” the opportunity for capital accumulation (i.e. state assets) via legitimate “food stamp business.<sup>101</sup>” In other words, food assistance “waste, fraud, and abuse” is constituted in terms of abuse to neoliberalization itself, to which EBT offers a corrective via data surveillance; food stamp transactions are thus made accountable to neoliberal capital.

Despite a demonstrated combined error rate<sup>102</sup> of less than 5%, the Food Stamp Program ramped up the monitoring and investigation of waste, fraud, and abuse across the country in 1990.<sup>103</sup> To compare, the Crop Insurance Program, the hallmark of federal agricultural subsidies legislated by the Farm Bill, had an estimated payment error rate of 15% in 1987.<sup>104</sup> Media accounts of paper food stamp trafficking detail violent assaults, organized crime, drug rings, and purchases of guns and even houses on the black market.<sup>105</sup> Indeed, Helen Szablya, a spokeswoman for the Maryland Department of Human Services, locates the “effectiveness” of EBT in its “ability to catch people who are committing fraud” through purchase tracking in the digital network;<sup>106</sup> then Vice President Al Gore similarly lauds EBT as “a powerful new weapon” in the war on fraud.<sup>107</sup> EBT efficiently combats this kind of illegal activity because of the ability to monitor individual transactions.<sup>108</sup>

Entreaties to eliminate the purchase of guns, drugs, cars, and sex through illegally exchanged food stamps articulate with appeals to curtail nonfood purchases altogether, as such activity circumvents the assets to be gained via digital food stamps. For example, Representative Erdreich defines trafficking simply as “using food stamps for *unintended and illegal purposes*,<sup>109</sup>” such that, as the U.S. Treasury reports, EBT will “ensure that benefits *are spent on food*.<sup>110</sup>” Nonfood purchases, the “misuse” of benefits or “diversions,” are all discussed in terms of “losses to the Food Stamp Program,” totaling an estimated \$1 billion per year.<sup>111</sup> Indeed, food stamp trafficking is “tremendously profitable...like any other enterprise.<sup>112</sup>” Food stamp “losses” constitute capital that has been diverted from legitimate (read: government and industry) expenditures; beneficiaries and retailers are thus held accountable to neoliberal capital through the surveillance of electronic benefits transactions.

The digitized nature of Food Stamps under EBT makes federal authorities “better able to monitor and analyze sales and benefit activity,<sup>113</sup>” assuaging fears of food stamp trafficking. However, this new digital system also creates possibilities for “new fraud<sup>114</sup>” more likely to be perpetuated by “unscrupulous” retailers rather than food stamp recipients per se.<sup>115</sup> Indeed, while the Food Stamp Program’s combined error rate decreased significantly as EBT became more widely implemented, approximately 8% of authorized food retailers engaged in trafficking in 1999.<sup>116</sup> To be sure, federal investigators claim to “have no interest in how an *individual recipient* would expend their benefits.<sup>117</sup>” Yet, “if [EBT sales] analyses disclose transactions of unusual frequency or unusual amounts, the *retailer* could then be targeted for further investigation.<sup>118</sup>” Thus, retailers’ illegal redemption activity must be tracked through EBT transaction data, generated when beneficiaries make their purchases.



In this way, the “discrete” purchasing capability and reductions in stigma provided by EBT<sup>119</sup> trades on purchases’ heightened visibility made possible by EBT data surveillance. Food stamps become less visible as recipients no longer stand out with their paper vouchers and can complete purchases quickly with their EBT card, enhancing “human dignity” and “self-esteem” through purchase power.<sup>120</sup> Yet purchases are monitored through the digital information network. Food-purchasing behavior is thus rendered more visible as beneficiaries are subject to monitoring by *invisible* government officials managing Food Stamp databases.

Indeed, EBT’s transaction surveillance capability even opens up possibilities for monitoring the nutrition status of Food Stamp recipients, articulating accountability to neoliberal capital as *proper* food acquisition. For example, the Deputy Inspector General considers the possibility of “trying to get people to *buy properly* and to buy those things that are nutritious,” while the Deputy Assistant Secretary of Food and Nutrition Services adds, “it’s not a large step to incorporate in [EBT] some nutrition education programs.<sup>121</sup>” Separately, Representative Mike Espy muses: “in addition to the EBT card being used to prevent nonfood purchases, wouldn’t it be great if we could also have some other positive outcome, whereas if we could track the diet” adding that beneficiaries should receive a message on their receipt with the notification, “What you bought there is a *problem*...[items] didn’t fall within the guidelines of the daily nutrition assessment.<sup>122</sup>” The notion of monitoring one population’s food acquisition and dietary habits becomes possible because of the interconnected capabilities of EBT technology: assumptions of financial illiteracy drive the creation of special receipts for food assistance purchases, a digitized information network allows purchase data to be tracked, and data surveillance ensures that benefits are put to proper use. In this way, the potentiality of “normal” consumption articulates

economic discipline with nutrition, illustrating how Food Stamp recipients are subject to purchase monitoring in ways that debit consumers simply are not.

It is important to consider how a technological innovation such as electronic Food Stamps makes it possible to articulate the appropriate or “intended” use of benefits, and by extension what is considered to be “wasteful” spending, not only in terms of Program fraud or abuse but also diet and health. The musings offered by those cited above bolster centuries-old stereotypes of the poor as indolent and iniquitous, and recall, for example, Ronald Reagan’s infamous indictment of “strapping young bucks” using Food Stamps to purchase T-bone steaks.<sup>123</sup> Indeed, the intent to securitize neoliberal capital neglects the structural conditions that instantiate poverty, and the health disparities entailed by chronic food insecurity. Furthermore, although food purchasing has continued to catalyze food assistance debates well into the 21<sup>st</sup> Century, food assistance recipients make more healthful purchases than popular discourse often suggests.<sup>124</sup>

EBT thus securitizes food stamp recipients via the potentiality of the (new) economic mainstream, disposing a logic of accountability via data surveillance. Trafficking and other illegal cash exchanges of Food Stamps represent un-captured economic surplus, diverting valuable capital from the state. Surveillance is articulated as a security measure, ensuring the *proper* redemption of food benefits, (re)directing their flow into circuits of neoliberal capital. While enhanced tracking systems can protect the EBT consumer from fraud, it is through consumers’ transactions that this activity is monitored. In this way, the political and social roots of poverty, and the health disparities instantiated via neoliberal class relations, remain unchallenged.

### Conclusion and Critical Implications

Before the era of Welfare Reform, Electronic Benefits Transfer (EBT) technology ushered in a sea change in government benefits distribution and redemption. The federal government, consumer groups, and anti-hunger advocates all enthusiastically promoted this digital innovation for its ability to modernize and streamline the Food Stamp Program. Capitalizing on the proliferation of electronic funds transfer (EFT) as well as the increasing availability of point-of-sale (POS) terminals in the retail marketplace, EBT brings food assistance beneficiaries online with the (new) economic mainstream. Piloted in the early 1990s, EBT was nationally mandated in 1996, allowing those enrolled in multiple social programs (Food Stamps and WIC, for example) to automatically receive and redeem their benefits through a single plastic card.

My analysis of EBT makes two contributions to critical/cultural scholarship: I stake an intervention in the study of the neoliberal turn through consideration of neoliberalization as a project of potentiality; I offer securitization as a critical heuristic for disposing neoliberal logics, securing space for the accumulation of capital while also (re)instantiating relations of capital.

Neoliberalism is a polysemous term<sup>125</sup> that may most broadly be understood as a mode of political-economic practice with co-constitutive rhetorical consequences. However, extant critical/cultural scholarship on the subject largely articulates neoliberalism as a signifier for the fetters of global capital.<sup>126</sup> This not only contributes to the treatment of the elements of neoliberal reason as effects that *signal* the “economization” of political life,<sup>127</sup> this also narrows possibilities for immanent critiques of capitalism.<sup>128</sup> It behooves critical scholars to move beyond descriptions of neoliberal discourse and the trite cataloguing of neoliberal practice.

By re-emphasizing a Post-Marxist conception of neoliberalization as a project of potentiality, this essay seeks to refocus attention on the relationship between neoliberal practice and co-conditioning rhetorical consequence. A post-Marxist perspective invites consideration of how the neoliberal mode, animated by rhetorical practice, enables governing institutions and (re)produces the relations of capital that sustain those institutions and (re)articulates class relations.<sup>129</sup> As the analysis demonstrates, EBT, as a technology of neoliberalization, disposes logics of responsibility, freedom, and accountability, obscuring the stigma of food stamps, indeed enabling beneficiaries to access food more efficiently and effectively; yet these rhetorical consequences also (re)instantiate class difference through a debit-*like* card that is more heavily monitored than “normal” consumers’ debit and credit cards.

Personal responsibility, freedom, and accountability are more than signals of a hegemonic ideology, or effects of a disciplining apparatus.<sup>130</sup> Rather, these liberalist logics, rearticulated as market imperatives, actualize economic transformation, enabling and constraining subjectivities and a variety of discursive practices. Food stamp recipients’ gain access to a form of consumption previously unavailable to the “unbanked”: automatic deposit of benefits that, through a “secure card” allows quick and convenient electronic payment. As they are *disposed*,<sup>131</sup> these logics open new spaces for capital accumulation. Indeed, as mentioned, the introduction of EBT is inextricably linked to the explosive uptake of EFT, POS terminals, and digital data management. While they articulate the potentiality of neoliberalization (“normal” consumption, in this case), disposing these logics also (re)instantiates class relations. Food stamp recipients receive automatic benefit disbursements instead of electronic salary deposit, and EBT cards, unlike their debit counterparts, are monitored and scrutinized for itemized purchases. Indeed, responsibility, freedom, and accountability, (re)constitute a second form of currency.

Securitization illuminates the role of finance in (re)articulating the process of neoliberalization, providing a heuristic for an articulatory process by which neoliberal class relations are (re)instantiated. Appropriated from finance, I have deployed this term in reference to a material discursive process of securing capital (i.e. cash flow) that obscures the original risk from which profit is generated. Securitization transforms risky mortgage loans, for example, into profitable assets, proffering the potentiality of home ownership.<sup>132</sup>

Food assistance technology securitizes via the potentiality of “normal” consumption. By emphasizing the transformation of social liability (risk) to state asset,<sup>133</sup> food assistance always already constitutes social debit. EBT securitizes the poor by capitalizing on the proliferation of POS terminals, as well as the creation of a digital information network and the enhanced data surveillance this technology provides. As the analysis demonstrates, EBT discursively obscures difference in payment (paper food coupons versus debit), but also reifies the boundary between Food Stamp recipient and “normal consumer.”<sup>134</sup>

Electronic benefits transfer (EBT) was introduced during a period characterized by venomous debates about social spending and government benefits for the “deserving”<sup>135</sup> poor. It is thus not insignificant that Congress, banking and retail groups, as well as anti-hunger organizations all advocated for access to EBT with little contention. To be sure, EBT *does* provide food stamp recipients new opportunities for consumption (discrete payment, mobility of food access across county lines), it *does* free users from inefficiencies of the paper system (no retailers bundling coupons, no trips to the welfare office), and it *does* protect against fraud (trafficking deterrence). However, this potentiality also re-inscribes paternalistic and moralistic appeals to the helpless, indolent, and illicit poor; presumed unable to manage money, whose purchases must tracked and monitored, even for their nutrient quality, food stamp recipients do

not fully escape their second tier status. Replacing paper food vouchers with digital technology obscures the social stigma of food assistance even as it also the conditions of systematic poverty and food security unchallenged.

<sup>1</sup> Robert Asen, *Visions of Poverty: Welfare Policy and Political Imagination* (East Lansing, MI: Michigan State University Press, 2009).

<sup>2</sup> U.S. Congress, House of Representatives, Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, *Impact of Regulation E of the Electronic Funds Transfer Act on the Food Stamp Electronic Benefits Transfer Delivery Systems*, 102nd Cong, 2nd sess., 1992, 1.

<sup>3</sup> US Department of Treasury, "From Paper to Plastic: The Electronic Benefit Transfer Revolution," Washington, D. C. , 1990, 1. Piloted in 1989 in 7 cities, states were given the formal allowance to opt in for EBT by the 1990 Farm Bill; by 2002 electronic benefits became mandatory in all states, for all welfare programs.

<sup>4</sup> Asen, *Visions of Poverty*.

<sup>5</sup> See U.S. Treasury report, "From Paper to Plastic." Along with threats of assault and theft at state welfare offices, letter carriers and postal staff were also vulnerable to assault upon delivery of welfare checks.

<sup>6</sup> Wendy Brown, *Undoing the Demos* (Brooklyn, NY: Zone Books), 30.

<sup>7</sup> Neil Brenner, Jamie Peck, and Nik Theodore, "After Neoliberalization?," *Globalizations* 7, (2010): 330.

<sup>8</sup> U.S. Department of Treasury, "From Paper to Plastic." The term "unbanked" refers to individuals without access to bank accounts.

<sup>9</sup> See the US Treasury's report, "From Paper to Plastic," for a full description of EBT bank accounts and how the "secure card" is processed, 43.

<sup>10</sup> U.S. Congress, House of Representatives, *Impact of Regulation E*, 9.

<sup>11</sup> U.S. Congress, House of Representatives, Subcommittee on Regulation, Business Opportunities, and Energy, *From Paper to Plastic: Electronic Benefit Transfer (EBT) Programs for Food Stamps and Other Federal Benefits*, 102nd Cong, 2nd sess., 1992, 29.

<sup>12</sup> Kane X. Faucher, "Veblen 2.0: Neoliberal Games of Social Capital and the Attention Economy as Conspicuous Consumption," *tripleC*, 12, (2014): 40-56.

<sup>13</sup> Josh Heuman, "Let's Light this Candle?": Early Online Investment and the Regulation of Freedom in 'New' Work Forms," *Communication & Critical/Cultural Studies*, 9 (2012): 146-170.

<sup>14</sup> Benny LeMaster, "Discontents of Being and Becoming Fabulous on *RuPaul's Drag U*: Queer Criticism in Neoliberal Times," *Women's Studies in Communication*, 38 (2015): 167-186.

<sup>15</sup> Brenner et al, "After Neoliberalization," Carolyn Hardin, "Finding the 'Neo' in Neoliberalism," *Cultural Studies*, 28 (2014): 199-221; Christian Garland and Stephen Harper, "Did Somebody say Neoliberalism?: On the Uses and Limitations of a Critical Concept in Media and Communication Studies," *tripleC*, 10 (2012): 413-424.

<sup>16</sup> Garland and Harper, "Did Somebody say Neoliberalism?"; David Harvey, *A Brief History of Neoliberalism* (Oxford: Oxford University Press, 2005); Ronald Walter Greene, "Another Materialist Rhetoric," *Critical Studies in Media Communication*, 15 (1998): 21-42; Ronald Walter Greene, "Rhetoric and Capitalism: Rhetorical Agency as Communicative Labor," *Philosophy and Rhetoric*, 37 (2004): 188-206; Ronald Walter Greene, "More Materialist Rhetoric," *Communication & Critical/Cultural Studies*, 12 (2015): 414-417; Aihwa Ong, *Neoliberalism as Exception: Mutations in Citizenship and Sovereignty* (Durham, NC: Duke University Press, 2006).

<sup>17</sup> Harvey, *History of Neoliberalism*.

<sup>18</sup> To clarify, the terms "class" and "class relations" throughout this essay should not be read in reference to an essentialized subject position, but rather to the process by which rhetoric enfold relations of power that (re)articulate social categories of difference.

<sup>19</sup> Harvey, *History of Neoliberalism*, 9.

<sup>20</sup> Garland and Harper, "Did Somebody say Neoliberalism?," 414.

<sup>21</sup> Kristin A. Swenson, "Being in Common: In Celebration of Ronald W. Greene's Woolbert Award," *Communication & Critical/Cultural Studies* 12 (2015): 404-409; Greene, "More Materialist Rhetoric," 405.

<sup>22</sup> Brenner, et al, "After Neoliberalization?"; Eran Fisher, *Media and New Capitalism in the Digital Age: The Spirit of Networks* (New York, NY: Palgrave Macmillan, 2010); Harvey, *History of Neoliberalism*; Andrew Glyn, *Capitalism Unleashed: Finance, Globalization, and Welfare* (Oxford: Oxford University Press, 2006); Ong, *Neoliberalism as Exception*; Daniel Schiller, *Digital Capitalism: Networking the Global Market System* (Cambridge, MA: MIT Press, 2005).

<sup>23</sup> James D. Faubion, "Michel Foucault: Power." *Essential works of Foucault 1954* (The New Press, 1994/2000), "Governmentality," p. 209.

<sup>24</sup> Harvey, *History of Neoliberalism*.

<sup>25</sup> Hardin, "Finding the 'Neo.'"

<sup>26</sup> Joshua S. Hanan, "Home is Where the Capital is: The Culture of Real Estate in an Era of Control Societies," *Communication and Critical/Cultural Studies* 7 (2010): 176-201; Joshua S. Hanan & Catherine Chaput,

“Stating the Exception: Rhetoric and Neoliberal Governance During the Creation and Passage of the Emergency Economic Stabilization Act of 2008,” *Argumentation & Advocacy*, 50 (2013): 18-33; Bradley Jones and Roopali Mukherjee, “From California to Michigan: Race, Rationality, and Neoliberal Governmentality,” *Communication & Critical/Cultural Studies*, 7 (2010): 401-422; Ong, *Neoliberalism as Exception*. See also, Hardin, “Finding the ‘Neo,’” for a thorough review of the Marxist, Foucauldian, epochal, “camps” of scholarship on neoliberalism.

<sup>27</sup> Brown, *Undoing the Demos*; Harvey, *History of Neoliberalism*; Greene, “Another Materialist Rhetoric;” Ong, *Neoliberalism as Exception*.

<sup>28</sup> Henry A. Giroux, “Beyond the Biopolitics of Disposability: Rethinking Neoliberalism in the New Gilded Age,” *Social Identities*, 14 (2008): 592; Jones & Mukherjee, “From California to Michigan;” LeMaster, “Discontents of Being and Becoming.”

<sup>29</sup> Greene, “More Materialist Rhetoric.”

<sup>30</sup> emphasis added, Giroux, “Beyond the Biopolitics of Disposability,” 592.

<sup>31</sup> LeMaster, “Discontents of Being and Becoming,” 168.

<sup>32</sup> *Ibid*, 170.

<sup>33</sup> Jones and Mukherjee, “From California to Michigan,” 403.

<sup>34</sup> Brown, *Undoing the Demos*, 17.

<sup>35</sup> *Ibid*.

<sup>36</sup> emphasis added, Michel Foucault, “Security, Territory, and Population,” in *Michel Foucault: Power*, ed. James D. Faubion (New York: NY, 1978/1994), 211.

<sup>37</sup> Ong, *Neoliberalism as Exception*.

<sup>38</sup> Brenner, at al., “After Neoliberalization?”; Noel Castree, “From Neoliberalism to Neoliberalization: Consolations, Confusions, and Necessary Illusions,” *Environmental Planning: An International Journal of Urban and Regional Research*, 38 (2006): 1-6; Harvey, *History of Neoliberalism*.

<sup>39</sup> Hardin, “Finding the ‘Neo,’” 214.

<sup>40</sup> See Greene, “More Materialist Rhetoric.”

<sup>41</sup> Hardin, “Finding the ‘Neo,’” 214; Greene, “Another Materialist Rhetoric”; Greene, “More Materialist Rhetoric.”

<sup>42</sup> Fisher, *Media and New Capitalism*; Harvey, *History of Neoliberalism*; Schiller, *Digital Capitalism*.

<sup>43</sup> Leon T. Kendall, “Securitization: A New Era in American Finance,” in *A Primer on Securitization*, eds. Leon T. Kendall and Michael J. Fishman (Cambridge, MA: MIT Press, 1996), 1.

<sup>44</sup> *Ibid*.

<sup>45</sup> Frank J. Fabozzi & Vinod Kothari, *Introduction to Securitization* (Hoboken, NJ: John Wiley & Sons, 2008).

<sup>46</sup> Hanan, “Home is Where the Capital is.”

<sup>47</sup> The term “poverty industry” refers to enterprises such as pawnshops and check cashing, as well as lending services designed to serve the under-banked through often predatory practices that can entrap the poor in debt. See: Susanne Soederberg, *Debtfare states and the poverty industry: Money, Discipline and the Surplus Population* (New York: Routledge, 2014).

<sup>48</sup> U.S. Department of Treasury, “Electronic Benefits Transfer: A Strategy for the Future,” Washington, D.C., 1990, 6.

<sup>49</sup> Federal Electronic Benefit Transfer Task Force, “Creating a Benefit Delivery System that Works Better and Costs Less: An Implementation Plan for Nationwide EBT,” Washington, D. C., Government Printing Office, 1994, 1.

<sup>50</sup> U.S. Congress, House of Representatives, Subcommittee on Policy Research and Insurance, Subcommittee on Regulation, Business Opportunities, and Energy, and Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, *Food Stamp Trafficking and the Food Stamp Electronic Benefit Transfer Program*, 102nd Cong, 2nd sess., 1992, 21.

<sup>51</sup> U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 3.

<sup>52</sup> U.S. Congress, House of Representatives, *From Paper to Plastic*, 29.

<sup>53</sup> *Ibid*.

<sup>54</sup> Federal Electronic Benefit Transfer Task Force, “Creating a Benefit Delivery System that Works,” 2.

<sup>55</sup> U.S. Department of Treasury, *From Paper to Plastic*, 5.

<sup>56</sup> U.S. Department of Treasury, *Electronic Benefits Transfer*.

<sup>57</sup> U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 3.

<sup>58</sup> *Ibid*, 2.

<sup>59</sup> Federal Electronic Benefit Transfer Task Force, “Creating a Benefit Delivery System that Works,” A-3.



- <sup>60</sup> U.S. Congress, House of Representatives, Subcommittee on Financial Institutions Supervision, Regulation, and Deposit Insurance and the Subcommittee on Consumer Credit and Insurance, *Ways of Increasing Access of Low- and Moderate- Income Americans to Financial Services*, 103rd Cong, 2nd sess, 1994, 3.
- <sup>61</sup> U.S. Department of Treasury, *Electronic Benefits Transfer*, 30.
- <sup>62</sup> Federal Electronic Benefit Transfer Task Force, "Creating a Benefit Delivery System that Works," 15.
- <sup>63</sup> *Ibid.*, A-3.
- <sup>64</sup> U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 17.
- <sup>65</sup> *Ibid.*, 17.
- <sup>66</sup> *Ibid.*, 23.
- <sup>67</sup> U.S. Congress, House of Representatives, *From Paper to Plastic*, 3.
- <sup>68</sup> U.S. Congress, House of Representatives, *Impact of Regulation E*, 18.
- <sup>69</sup> Rachel L. Jones, "Maryland Electronic Welfare Cards Curb Fraud, Please Users/Critics Fear they're Another Inroad by "Big Brother." Defenders say they Bring Dignity to the City," *The Philadelphia Inquirer* (Philadelphia, PA), Apr. 11, 1995, A04.
- <sup>70</sup> *Ibid.*
- <sup>71</sup> U.S. Congress, House of Representatives, *Ways of Increasing Access*, 17.
- <sup>72</sup> U.S. Department of Treasury, *From Paper to Plastic*, 9.
- <sup>73</sup> David B. Humphrey, "The Economics of Electronic Benefit Transfer Payments," *Economic Quarterly*, 82 (1996): 84.
- <sup>74</sup> *Ibid.*, 31.
- <sup>75</sup> The Retail Food Industry Center, *From Paper to Plastic by 2002: Retailers' Perspective on Electronic Benefit Transfer Systems for Food Stamps*, by Ana R. Quiñones and Lean Kinsey, (St. Paul, MN, 2000), 19.
- <sup>76</sup> U.S. Department of Treasury, *Electronic Benefits Transfer*.
- <sup>77</sup> U.S. Congress, House of Representatives, *Impact of Regulation E*, 12.
- <sup>78</sup> U.S. Department of Agriculture, Food and Nutrition Service, SNAP Food Security In-Depth Interview Study: Final Report. Retrieved from: [www.fns.usda.gov/sites/default/files/SNAPFoodSec.pdf](http://www.fns.usda.gov/sites/default/files/SNAPFoodSec.pdf)
- <sup>79</sup> U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 18.
- <sup>80</sup> U.S. Congress, House of Representatives, *Impact of Regulation E*, 9.
- <sup>81</sup> See U.S. Treasury report, "From Paper to Plastic." As of 1990, an estimated \$2.50 per recipient was spent in administration costs associated with the paper benefits system; EBT represented nearly \$25 million in annual federal savings.
- <sup>82</sup> U.S. Congress, House of Representatives, *Impact of Regulation E*, 3.
- <sup>83</sup> U.S. Department of Treasury, *Electronic Benefits Transfer*.
- <sup>84</sup> U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 11.
- <sup>85</sup> *Ibid.*, 8.
- <sup>86</sup> U.S. Congress, House of Representatives, *Impact of Regulation E*, 6.
- <sup>87</sup> U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 9.
- <sup>88</sup> *Ibid.*, 20.
- <sup>89</sup> U.S. Congress, House of Representatives, *From Paper to Plastic*, 1.
- <sup>90</sup> *Ibid.*
- <sup>91</sup> *Ibid.*, 15.
- <sup>92</sup> U.S. Department of Agriculture, Food and Nutrition Service, *The Extent of Trafficking in the Food Stamp Program*, by Theodore F. Macaluso (Washington, D.C., 1995). The USDA and FNS primarily utilized STARS in the early and mid-1990s, though it is now used in tandem with other monitoring systems, among these, for example, is the Anti-Fraud Locator using EBT Retailer Transactions (ALERT), online since 2002.
- <sup>93</sup> Humphrey, "The Economics of Electronic Benefit Transfer Payments."
- <sup>94</sup> U.S. Department of Agriculture, Food and Nutrition Services, *Evaluation of Food Retailer Compliance Management Demonstrations in EBT-ready States and Related Initiatives*, by Paul Elwood, Christopher W. Logan, and Leo M. Altman, (Washington, D.C., 1997).
- <sup>95</sup> U.S. Department of Agriculture, Food and Nutrition Service, *The Extent of Trafficking in the Food Stamp Program: An Update*, by Theodore F. Macaluso (Washington, D.C., 2000), 12.
- <sup>96</sup> Brenner et al, "After Neoliberalization?"; Brown, *Undoing the Demos*; Garland and Harper, "Did Somebody say Neoliberalism?"; Harvey, *History of Neoliberalism*; Ong, *Neoliberalism as Exception*.

- <sup>97</sup> Greene, “Another Materialist Rhetoric;” Greene, “More Materialist Rhetoric;” Matthew S. May, “The Imaginative-Power of ‘Another Materialist Rhetoric;” *Communication & Critical/Cultural Studies* 12 (2015): 399-403.
- <sup>98</sup> U.S. Congress, House of Representatives, *Ways of Increasing Access*, 17. See also, Fisher, *Media and New Capitalism*; Harvey, *History of Neoliberalism*; Schiller, *Digital Capitalism*.
- <sup>99</sup> Federal Electronic Benefit Transfer Task Force, “Creating a Benefit Delivery System that Works,” A-2.
- <sup>100</sup> U.S. Congress, House of Representatives, *From Paper to Plastic*, 14.
- <sup>101</sup> U.S. Congress, House of Representatives, *Ways of Increasing Access*, 17.
- <sup>102</sup> The Food Stamp Program error rate accounts for administrative errors, such as over- or under-payment of benefits, applicant asset misinformation, as well as fraudulent and criminal activity like trafficking.
- <sup>103</sup> U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 1.
- <sup>104</sup> U.S. Department of Agriculture, Federal Crop Insurance Corporation, “Program Changes Improving the Actuarial USDA. Soundness of the Federal Crop Insurance Program,” *Federal Register* 59, no. 66 (April 6, 1994): <https://www.gpo.gov/fdsys/pkg/FR-1994-04-06/html/94-8244.htm>
- <sup>105</sup> Jones, “Maryland Electronic Welfare Cards”; Ruth Larson. “Gore Reinvents Benefits with Welfare ATM Card.” *The Washington Times* (Washington, D.C.), June 1, 1994; Scott Pendleton. “Plastic Pilot.” *Christian Science Monitor*, October 3, 1994; Christopher Wilson. “Feds Thwart Food-Stamp Scams.” *The Washington Times* (Washington, D.C.), July 14, 1994.
- <sup>106</sup> Jones, “Maryland Electronic Welfare Cards,” A04.
- <sup>107</sup> National Performance Review, *Creating a Government that Works Better and Costs Less*, by Vice President Al Gore, (Washington, D.C., 1994), 34.
- <sup>108</sup> U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 10.
- <sup>109</sup> emphasis added, U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 2.
- <sup>110</sup> emphasis added, U.S. Congress, House of Representatives, *Impact of Regulation E*, 31.
- <sup>111</sup> U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 9.
- <sup>112</sup> U.S. Congress, House of Representatives, *Impact of Regulation E*, 19.
- <sup>113</sup> U.S. Congress, House of Representatives, *Impact of Regulation E*, 2.
- <sup>114</sup> U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 44.
- <sup>115</sup> U.S. Congress, House of Representatives, *From Paper to Plastic*, 1.
- <sup>116</sup> USDA, Office of the Inspector General, “Analysis of FNS’ Supplemental Nutrition Assistance Program Fraud and Prevention Protection Efforts,” (Washington, DC, 2012): <http://www.usda.gov/oig/webdocs/27002-0011-13.pdf>
- <sup>117</sup> emphasis added, U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 13.
- <sup>118</sup> emphasis added, U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 13.
- <sup>119</sup> U.S. Congress, House of Representatives, *From Paper to Plastic*, 3.
- <sup>120</sup> U.S. Congress, House of Representatives, *Ways of Increasing Access*, 6.
- <sup>121</sup> emphasis added, U.S. Congress, House of Representatives, *From Paper to Plastic*, 21.
- <sup>122</sup> emphasis added, U.S. Congress, House of Representatives, *Food Stamp Trafficking*, 34.
- <sup>123</sup> Reagan frequently used the story of “strapping young bucks” purchasing luxury food items such as T-bone steaks with their Food Stamps in his campaign stump speeches, see: Robert G. Kaiser & Maralee Schwartz. “On Welfare: Democrat Bullish, Republican Bearish (less so).” *The Washington Post* (Washington, D.C.), October 23, 1980. See also, Moyers & Company, “Clip: Ronald Reagan’s Racially Tinged Stump Speeches,” accessed on April 26, 2016, <http://billmoyers.com/2014/02/27/ronald-reagans-racially-tinged-stump-speeches/>.
- <sup>124</sup> U.S. Department of Agriculture, SNAP Food Security In-Depth Interview Study.
- <sup>125</sup> Hardin, “Finding the ‘Neo,’” 210.
- <sup>126</sup> Faucher, “Veblen 2.0”; Giroux, “Beyond the Biopolitics of Disposability;” LeMaster, “Discontents of Being and Becoming;” Jones and Mukherjee, “From California to Michigan”; Bryan J. McCann, “Redemption in the Neoliberal and Radical Imaginations: The Saga of Stanley ‘Tookie’ Williams,” *Communication, Culture & Critique* 7 (2014).
- <sup>127</sup> Brown, *Undoing the Demos*.
- <sup>128</sup> Garland & Harper, “Did Somebody say Neoliberalism?” 104; Greene, “More Materialist Rhetoric.”
- <sup>129</sup> Brown, *Undoing the Demos*;” Hanan, “Home is Where the Capital is;” Hanan & Chaput, “Stating the Exception;” Greene, “Another Materialist Rhetoric;” Greene, “More Materialist Rhetoric;” Harvey, *History of Neoliberalism*; May, “Imaginative-Power;” Ong, *Neoliberalism as Exception*.

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<sup>130</sup> Jones & Mukherjee, “From California to Michigan: Race, Rationality, and Neoliberal Governmentality;” LeMaster, “Discontents of Being and Becoming.”

<sup>131</sup> Foucault, “Security, Territory, and Population.”

<sup>132</sup> As the over-selling and trading of securities played an integral role in the housing bubble of the mid-2000s (resulting in unprecedented rates of under-water mortgages and defaulted loans),<sup>132</sup> securitization can also be a useful conceptual tool for critical inquiry into other financial phenomena and predatory economic practices. See also, Hanan, “Home is Where the Capital is.”

<sup>133</sup> Fabozzi & Kothari, *Introduction to Securitization*; Kendall, “Securitization.”

<sup>134</sup> U.S. Congress, House of Representatives, *From Paper to Plastic*, 29.

<sup>135</sup> Asen, *Visions of Poverty*.