A Complicated Alchemy: Theorizing Identity Politics and the Politicization of Migrant Remittances Under Donald Trump's Presidency

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Introduction

On April 5, 2016, *The Washington Post* reported receiving a memo from then-Republican-nomination-candidate Donald Trump that outlined a strategy to force Mexico to build a wall along its border with the United States. The memo proposed threatening to cut off remittance flows to Mexico if that country did not make a "one-time payment of $5–10 billion" to contribute to the cost of the wall.[1] More specifically, Trump called for amendments to existing "know-your-client" rules that would prohibit outbound international wire transfers originating from the United States unless sending parties furnished proof of their lawful presence inside the country.[2] This Article examines both the historical politicization of migrant remittances and Trump's proposal as an attempt to extend this politicization into political arenas where there are persistent anxieties surrounding globalization's impact on white working class identity. I argue

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1. Bob Woodward & Robert Costa, *Trump Reveals How He Would Force Mexico to Pay for Border Wall*, WASH. POST (Apr. 5, 2015), https://www.washingtonpost.com/politics/trump-would-seek-to-block-money-transfers-to-force-mexico-to-fund-border-wall/2016/04/05/c0196314-fa7c-11e5-80e4-c381214de1a3_story.html [https://perma.cc/2QMB-BF83].

2. *Id.*; *see* 31 C.F.R. §§ 103.120–121.

that such political calculations present the potential to reconstruct migrant remittance usage as symbolic of a perceived theft of prosperity in the eyes of white working class Americans who have grown wary of their declining economic position in both domestic and global terms. I also make the claim that the antipathy towards remittance customers has the potential to create a taxonomy of typologies that lay along a continuum that ranges in degrees of societal standing from typical payment practices housed within mainstream depository services to migrant remittances.

This is a discussion about an aspect of globalization's consequences—a set of transnational, interactive and integrative processes between and among public and private actors. While such processes have largely revolved around international trade, information technology aided these processes as well. There is no denying globalization's adverse effects on the working class in developed countries or its role in the movement of migrants who remain dependent on the technological infrastructure supporting their capacity to send money home. Because both constituencies are casualties of a transnational set of economic forces, the notion that remittance use might serve as a point of politicized conflict between them is proof that the legal structures surrounding global remittance networks have transcended their commercial functions to emerge as important organs of international statecraft. Social, political, cultural, and economic forces continue to infuse this architecture with meanings that are not simply transactional. Implicit in this recognition is an assumption that remittance scholarship should expand its scope beyond matters such as tracing taxable income, money laundering, or the financing of terrorism. Indeed, qualitatively different influences continue to shape societal perceptions of remittance use services in sending countries, their receiving country dependents, and the implications for those economies relying on these flows of privatized aid into the developing world. Trump's proposal offers an opportunity for scholarly inquiry into a particular combination of these perceptions, one which exploits a view of globalization's concurrent effects on the international movement of migrant labor across America's borders and on her shrinking white working class; it reconstitutes remittance structures as a globalist vehicle used to divert prosperity away from American workers; and it purports to reassert American territorial sovereignty in ways that represent a misdirected Westphalian response to a global political economy increasingly networked in its structure and function. This last point is of critical importance, given the nature of modern payment environments, which I have previously described as networked ecologies—a theoretical approach that recognizes structural relationships between actors that transcend traditional or organizational hierarchies and investigates the ways these actors exert their influence on each other.[3] Anne-Marie Slaughter and David Zaring characterize networks as "linking actors across national boundaries and carrying on various aspects of global gov-

3. *See* Stephen Wilks, *The Governance Ecology of Electronic Food Stamp Delivery: Time for a New Praxis?*, 30 Harv J. Racial & Ethnic Just. 311, 313–14 (2014).

ernance in new and informal ways."[4] In their view, a networked world functions above, below, and through states, and a state's influence necessarily depends on its capacity to form effective connections.[5]

This Article is outlined as follows: Part I provides an overview of American remittance regulation, examines data on migrant flows, discusses a cross-disciplinary survey of relevant remittance scholarship, and highlights the networked nature of remittance activity as a whole. Part II offers a comparative discussion of remittance scholarship written in the wake of the terrorist attacks of September 11, 2001. This comparison aims to draw parallels between current and previous political climates in which remittance ecologies were viewed with suspicion. Though qualitatively distinct, each of the two contexts shares important commonalities rooted in collective angst about the collision of globalization and human mobility. Part III considers aspects of this collision as further shaped by white identity politics. It also considers the role of these politics in conservative attitudes towards migrant remittances, which mainly cater to people of color, many of whom, as José Gabilondo once wrote, have entered into "partial statelessness in order to work."[6] Part IV discusses how the intersectionality of race, immigration, socio-economic class, globalization and American identity has produced a taxonomy of payment environments. This taxonomy serves as a set of value-laden pathways to economic participation that may be understood in both domestic and global contexts. I also argue that this offers a useful way of demonstrating how the treatment of remittance users serves to reinforce their marginalized standing within payment ecologies.

I. An Overview of Remittances in Global and Domestic Contexts Through the Lenses of Regulation and Theory

This Article focuses on a particular subset of migrant remittance services, namely those wire transfer services operating outside conventional depository banks.[7] Migrant remittances are recurring transfers of cash

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4. Anne-Marie Slaughter and David Zaring, *Networking Goes International: An Update*, 2 Ann. Rev. L. Soc. Sci. 211, 215 (2006).

5. *Id.*

6. José Gabilondo, *Monetizing Diaspora: Liquid Sovereigns and the Interest Convergence Around Worker Remittances*, 26 Pa. St. Int'l L. Rev. 653, 671 (2008).

7. This Article defines "migrants" as people and populations who tend to move from one place to another in order to work on a seasonal basis. International migrants work in foreign countries. In ordinary parlance, migrants are distinguishable from "immigrants" who are people not living in their birth country. Whereas migrants tend to live more nomadically, immigrants are thought to settle in their adoptive country on a permanent or long-term basis. *What is Migration?*, The Law Dictionary (last visited Mar. 22, 2017), http://thelawdictionary.org/migration [https://perma.cc/EK9Z-Q6ZQ]; *What is Immigrant?*, The Law Dictionary (last visited Mar. 22, 2017), http://thelawdictionary.org/immigrant/ [https://perma.cc/QK6G-WG8H]. These simplistic distinctions are provided for ease of reference and do not easily capture the degree to which populations may alternate between the classifications of migrant and immigrant.

sent by foreign workers to home country recipients.[8] Migrant remittance flows typically move from developed countries into the developing world, which has prompted considerable debate about the interplay between migration and economic development due in part to the aggregate volumes of cash moving through remittance corridors.[9] According to the Population Reference Bureau, 214 million people were international migrants in 2010—roughly three percent of the global population.[10] The World Bank reports that global remittances for the year 2013 totaled $531 billion, of which more than 75.3% went to developing countries.[11] The same source also forecasts that these flows will reach nearly $636 billion by 2016, with 74.8% of this amount going to developing countries. Dollar flows commonly terminate in the Middle East, the Indian Ocean Region, Asia, Southeast Asia, Latin America, and the Caribbean.[12]

American-based migrant remittance operators are known as Money Services Businesses (MSBs).[13] Western Union and MoneyGram are among the world's largest MSBs, offering wire transfer services at grocery stores, stand-alone check-chasing businesses, and other retail businesses.[14] These entities offer a range of financial services in addition to remittances, such as currency exchange, check cashing, and the sale or redemption of prepaid credit and other store value cards.[15] Under the aegis of the Uniform Money Services Act, states administer the registration and licensing regimes for MSBs, banks, credit unions, and other financial actors and sup-

8. Thomas Straubhaar & Florin P. Vãdean, *International Migrant Remittances and their Role in Development*, *in* INTERNATIONAL MIGRATION OUTLOOK: SOPEMI 2006 140–41 (OECD ed., 2006).

9. *Id.*

10. The Population Reference Bureau (PRB) is a nonprofit organization that gathers and analyzes statistical data across several fields, including economic development, health, migration, and environmental science. *See* POPULATION REFERENCE BUREAU, http://www.prb.org/ [https://perma.cc/Q73E-MAM8] (last visited July 27, 2017).

11. *See Remittance Prices Worldwide: Making Markets More Transparent*, THE WORLD BANK (last updated June 14, 2017), http://remittanceprices.worldbank.org/ [https://perma.cc/WG2Q-F3JK] [hereinafter *Remittance Prices*]. Income generated by Western Union—the world's largest provider of remittance services—places fee profitability in its commercial context. The firm's transactions fees exceeded $3.9 billion in 2015. *See* WESTERN UNION, NOTICE OF 2016 ANNUAL MEETING OF STOCKHOLDERS, PROXY STATEMENT & 2015 ANNUAL REPORT 15 (2015).

12. Nikos Passas, *Fighting Terror with Error: The Counter-Productive Regulation of Informal Value Transfers*, 45 CRIME, L. & SOC. CHANGE 315, 325 (2006).

13. *Money Services Business (MSB) Information Center*, IRS (last updated Feb. 10, 2017), https://www.irs.gov/businesses/small-businesses-self-employed/money-services-business-msb-information-center [https://perma.cc/ANK4-YRS3].

14. Jessica Silver-Greenberg, *New Rules for Money Transfers, but Few Limits*, N.Y. TIMES (June 1, 2012), http://www.nytimes.com/2012/06/02/business/new-rules-for-money-transfers-but-few-limits.html [https://perma.cc/5KHV-JLJZ].

15. As of March 31, 2016, there were 456 state licensed money transmitters in the United States, with 243 operating in more than one state. *See* CONF. OF ST. BANK SUPERVISORS & MONEY TRANSMITTER REGULATORS ASS'N, THE STATE OF STATE MONEY SERVICES BUSINESSES REGULATION & SUPERVISION 6 (May 2016), https://www.csbs.org/regulatory/Cooperative-Agreements/Documents/State%20of%20State%20MSB%20Regulation%20and%20Supervision%202.pdf [https://perma.cc/8DEU-7MRY].

port their stable operation within modern payment.[16] Federal law complements these regimes, imposing absolute liability for noncompliance with state licensing requirements.[17] Federal regulations also prohibit the unlicensed operation of MSBs,[18] and require operators to register with, and report to, both the U.S. Treasury Department and the Federal Deposit Insurance Corporation (FDIC). The U.S. Treasury's reporting rules are found under Title 31 of the United States Code.[19] MSB operators must also furnish proof that they have policies and procedures in place to ensure compliance, including required Financial Crime Enforcement Network (FinCEN) registration and documentation of a BSA/AML compliance program—including so-called Know-Your-Client ("KYC") provisions requiring that customers furnish proof of their identities before completing transactions.[20] Trump's proposal would fundamentally transform the current structure of KYC rules by extending their financial reporting functions into the realm of immigration enforcement. The implications of such a proposal are best understood in the context of available data tracking the movement of migrants and their remittance flows as well as existing scholarship highlighting network ecologies in which themes of development, migration, and remittances interact.

Against the backdrop of these regulations, considerable sums of money flow through remittance corridors between the United States and Latin America. Remittance flows to Latin America are expected to reach $70 billion in 2016 and $73 billion in 2017.[21] In 2015, Mexico was the fourth largest remittance receiving country, with inbound flows reaching $25.7 billion.[22] The majority of that sum—$25 billion—moved through the U.S.-Mexico corridor.[23] This corresponds with data showing that the northbound flow of migrants from Mexico into the United States represents one of the top ten migration corridors worldwide.[24]

Trump's proposal to disrupt these flows invites speculation about the benefit of migrant remittances as development alternatives to Bretton Woods programs, foreign direct investment, initiatives originating within civil society, and organic or "home grown" economic development. For example, the conditionality requirements forming part of structural adjustment programs typically force debtor-country governments to deviate from their electorates' expectations in order to obtain much financing. The pattern of such incursions into state sovereignty reflect a tendency towards

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16. Unif. Money Serv. Act (Unif. Law Comm'n 2001).
17. 18 U.S.C. § 1960(b)(1)(A) (2012).
18. 18 U.S.C. § 1960 (2012).
19. 31 U.S.C. § 5330 (2012).
20. 31 C.F.R. §§ 103.120–21.
21. *Remittance Prices*, *supra* note 11.
22. World Bank Group, Migration and Remittances Factbook 2016 29 (3d ed. 2016), http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1199807908806/4549025-1450455807487/Factbookpart1.pdf [https://perma.cc/WC4H-8TRQ].
23. *Id.* at 33.
24. *Id.* at 21.

forcing borrowing states to privatize assets and services historically within the domain of government, such as the provision of telecommunication, public utilities, public transit, or the operation of airports. Sometimes, as was the case in Haiti during the 1990s, demands to privatize are bolstered by threats to disrupt economic aid.[25] Such institutional hegemony does not merely signal a preference for capitalist approaches to managing public assets. It replaces domestic governance choices with external ones, contemplating a smaller role for the states so as to make way for practices commonly associated with private sector actors.[26] Other development strategies, such as Foreign Direct Investment (FDI) and NGO-sponsored programs, offer significant benefits insofar as they support the creation of relatively good paying jobs in developing economies.[27] Yet, the migration data would suggest FDI produces wages gains that are unevenly distributed across the developing world and remain modest in comparison to the earnings potential available in developed countries.

The preference for exporting labor in exchange for the inbound-remittance flows appeals to countries whose migrant workers are more economically productive abroad than at home. In this context, there is a greater emphasis on maintaining bonds between diaspora workers and their home countries, effectively institutionalizing remittance corridors. Alejandro Portes has critiqued out-migration and inbound remittance flows as both the cause and symptoms of underdevelopment.[28] He argues that out-migration depopulates labor-exporting countries, weakens economic productivity in poorer countries, and preserves the position of local power elites without changing structural problems that continue to undermine development.[29] Yet, what should scholars make of this transnationalization of migrants insofar as it has produced a network of civil society groups, such as hometown associations and ethno-specific professional groups and charities, that facilitate an "intense traffic of communication, information and resources" between origin and host countries?[30] Portes suggests such groups are composed of well-established migrants who may distinguish themselves from recent arrivals.[31] Moreover, many of these

25. Mark Baker, *Privatization In The Developing World: Panacea for the Economic Ills of the Third World or Prescription Overused?* 18 N.Y.L. SCH. J. INT'L & COMP. L. 233, 234 (1999); *see also* Gabilondo, *supra* note 6, at 657.

26. Baker, *supra* note 25, at 237.

27. Foreign direct investment generally describes the process whereby an individual or corporate actor in one country makes investments in another, either by the forming of a new enterprise or the acquisition of an existing business. For a discussion of the relationships between international migration and foreign direct investment, see Matthew Sanderson & Jeffrey Kenton, *Globalization Development and International Migration: A Cross-National Analysis of Less-Developed Countries, 1970–2000* 88 SOC. FORCES 301 (2009).

28. Alejandro Portes, *Migration and Development: Reconciling Opposite Views*, 32 ETHNIC & RACIAL STUD. 5, 5–22 (2009).

29. *Id.* at 6.

30. Steven Vertovec, *Migrant Transnationalism and Modes of Transformation*, 38 INT'L MIGRATION REV. 970, 970–1001 (2004).

31. Portes, *supra* note 28, at 9; *see also* Alejandro Portes et al., *Immigrant Transnational Organizations and Development: A Comparative Study*, 41 INT'L MIGRATION REV.

civil society groups have limited capacity to execute what Portes calls "globalization from below," that is, efforts to offset inequities produced by globalization.[32] Remittance literature suggests migrant resources are not only modest, but also tend to decline as subsequent generations become oriented toward life in their new country.[33] Additionally, benefits of transnationalization will remain limited as long as poor countries suffer losses of human capital and, by extension, an erosion of economic infrastructure.

These writings respond to the popular appeal underlying Trump's proposal by presenting a mix of competing narratives, illustrating diverse views of remittance users, their motivations, and their impact on political economy. As a body of work that implicitly recognizes the highly networked nature of transnational migration and remittance flows, this scholarship also tells the story of the increased human and capital mobility allowing developing countries to use globalization as a kind of lung—exhaling human labor to higher-waged economies and ingesting their diasporas' wages despite the societal effects on their nationals in sending countries. Much of this discourse warrants attention to the American context, because the United States is a sending country whose economy is experiencing tepid recovery as it wrestles with debates about the presence and impact of undocumented immigrants within its borders. There is no denying the political calculus implicit in linking remittance practices to policy disputes about illegal immigration and the diminished position of America's working class. It reflects a strategy of reconstructing remittance flows as a touchstone for channeling anxieties about globalization's adverse effects without meaningful distinction between their real versus perceived effects on relevant segments of the U.S. workforce.

II. Mapping the Recent History of Politicizing Remittance Practices

Politicized linkages between remittances, diaspora populations, and perceived threats to American interests are not new. Following the terror attacks on September 11, 2001, transnational remittance flows were subject to intense scrutiny because of reports that the attacks were financed with funds sent to U.S. banks using a series of low-dollar wire transfers.[34] Despite the absence of evidence connecting them to the attacks, informal remittance corridors between the United States and the Indian Ocean

242, 242–81 (2007); Alejandro Portes et al., *Transnational Entrepreneurs: An Alternative Form of Immigrant Adaptation*, 67 AM. SOC. REV. 278, 278–98 (2002).

32. Portes, *supra* note 28, at 10; *see also* ROBERT C. SMITH, MEXICAN NEW YORK: TRANSNATIONAL WORLDS OF NEW IMMIGRANTS (2005); Jose Itzigsohn et al., *Mapping Dominican Transnationalism: Narrow and Broad Transnational Practices*, 22 ETHNIC & RACIAL STUD. 316, 335–39 (1999); Patricia Landolt, *Salvadoran Economic Transnationalism: Embedded Strategies for Household Maintenance, Immigrant Incorporation, and Entrepreneurial Expansion*, 1 GLOBAL NETWORKS 217, 229–30 (2001).

33. Portes, *supra* note 28, at 11; *see also* William Haller & Patricia Landolt, *The Transnational Dimensions of Identity Formation: Adult Children of Immigrants in Miami*, 28 ETHNIC & RACIAL STUD. 1182, 1199–1205 (2005).

34. Passas, *supra* note 12, at 332–35.

region were subject to intense regulatory scrutiny.[35] A prototypical informal remittance transaction might unfold as follows: A man in New York, A, wants to send money to a relative, B, in a remote part of Pakistan. He will take the money to a local hawaladar, Ha, who will arrange for his counterpart, Hb, in Pakistan to have the money available for collection by B. These arrangements might include a password or some other means of properly identifying B as the intended recipient of the money. A then contacts B and provides the password or identifying information. B takes this code to his or her local hawaladar, Hb, and is paid accordingly. At this point in the scenario, Ha in New York now has a debt to Hb in Pakistan, who paid B on his behalf. The two agents will now find a way to "settle" what is now a debt owed to Hb. There are several ways to do this. The two agents may have clearance accounts, which they use to clear debts on a monthly or bimonthly basis. Alternatively, Ha and Hb may set up a reverse transaction to remit funds in the opposite direction. A more indirect type of reverse transaction would see Ha pay for specific things in New York, such as school tuition, for people in Pakistan who have already provided these funds to Hb as their local hawaladar. (In this example, Ha's tuition payment will discharge some or all of the debt owing to Hb. However, such reverse transactions are not always feasible because remittance flows tend to be uneven.) If the two transfer agents have import/export businesses, they may agree to over/under invoice in connection with a sale of goods. (This can also involve trade through a third country.) Predictably, there are always imbalances within informal remittance activities. In the scenario provided above, transfer agents Ha and Hb could "sell" their respective positions to high-level or "wholesale" hawaladars who consolidate these assets and liabilities.[36] These wholesalers usually have commercial account facilities and arrangements with formal banks that allow the overseas transmission of funds in U.S. currency, albeit illegally.[37]

As with remittance flows into Latin America, complex social, cultural, and developmental issues informed participant behavior from the divergent perspectives of remittance users and their sending country societies. Informal remittance systems have a long history. Nikos Passas has coined the phrase "informal value transfer system" (IVTS) to describe these networks, which provide a means of transferring money or other assets through the exchange of debt without leaving a paper trail.[38] He defines an IVTS as "any network or mechanism that can be used to transfer funds or value from place to place either without leaving a formal paper trail of the entire transaction or without going through regulated financial institu-

35. *Id.*

36. This is an important distinction from low-level or "retail" transfer agents who handle street-level transactions.

37. Two (sometimes overlapping) groups have sought to capitalize on the asymmetrical flow of international remittances: (a) a small group of wealthy elites living in poor countries; and (b) import/export businesses operating in currency-controlled economies. These two groups have the resources to use hawala at the highest levels in order to circumvent currency controls and buy securities or other assets anywhere in the world.

38. Passas, *supra* note 12, at 327.

tions."[39] IVTS systems operate similarly across different regions and cultures. Hawala—Arabic for "transfer"—is the largest of such networks, with roots in the Indian subcontinent that developed with immigration. Similar networks are called *hundi* in parts of South Asia, *fei ch'ien* or *quanxi* in China, and *padala* in the Philippines.[40]

These financial transactions have been variously described as "underground" or "alternative" banking. Rather than being hidden, they operate within existing legitimate businesses—such as travel agencies, grocery stores, or Internet cafes—particularly in immigrant neighborhoods.[41] Even without licenses or registration, informal remitters can place their money in correspondent accounts with major financial institutions as part of settlement transactions with their overseas counterparts.[42] Some writers challenge the use of terms like "banking," "money-lending," or "informal," preferring to describe IVTS systems as a "network of reciprocities" to transfer value between two or more locations on behalf of clients.[43] Informality thus relates to the participants' ability to build these reciprocal networks.[44]

In some parts of the world, informal remittance networks are not considered alternative systems because they are often the only kind of financial infrastructure in many regions where economic or political instability cannot support formal, Western-style banking. Formal and informal remittance services provide a narrower range of services compared to offerings available at conventional banks.[45] Their role is strictly to facilitate remittances, and they are considered formal or informal based on their compliance with MSB regulations described above.[46] Avner Greif's remarks about intra-cultural self-regulation parallel the work of Schramme and Taube, who analyze hawala's transactional and cultural structures from an anthropological perspective. For example, Greif explains how shared religious and cultural identities create "club" dynamics that stress the importance of reputation and exclusivity, effectively keeping these networked clubs small.[47] By contrast, Schramm and Taube suggest modern, market-oriented regulatory structures cannot offer comparable consumer protections, particularly given the nature of many remittance transactions, that cross international boundaries.[48] Like Passas, they question the expensive, cumbersome, and time-consuming pursuit of regulatory remedies that act as a

39. *Id.* at 317.

40. *Id.*

41. Nikos Passas, *Informal Value Transfer Systems, Terrorism and Money Laundering: A Report to the National Institute of Justice*, US DEP'T JUST. 1, 8, 16 (2005).

42. *Id.* at 28.

43. Roger Ballard, *Coalitions of Reciprocity and The Maintenance of Financial Integrity Within Informal Value Transmission Systems: The Operational Dynamics of Contemporary Hawala Networks*, 6 J. BANKING REG. 319, 326 (2005).

44. *Id.* at 336.

45. Passas, *supra* note 41, at 14.

46. *See* 18 U.S.C. § 1960.

47. Avner Greif, *Reputation and Coalitions in Medieval Trade: Evidence on the Maghrebi Traders*, 49 J. ECON. HIST. 857, 878 (1989) [hereinafter Greif, *Reputation*].

48. Matthias Schramm & Markus Taube, *Evolution and Institutional Foundation of the Hawala Financial System.* 12 INT'L REV. FIN. ANALYSIS 405, 410 (2003).

poor substitute for intra-cultural, intra-religious customs, which strongly discourage potential compliance problems and safeguard transactions.

Anthropologists and economic historians have identified similar cultural patterns. In his 2005 systematic review of IVTS networks, Ballard observes: "None of these networks sprang into existence out of the blue: each was grounded in a specific group of migrants' ancestral values and traditions, and in the modes of exchange and value transfer, which usually had lengthy historical roots."[49] Ballard was among the early writers who questioned the wisdom of displacing ancient commercial traditions with banking regulations that favor the modern industrial financial system. Like Passas, he has also conducted fieldwork into the cultural and mechanical intricacies of IVTS networks. Ballard argues their success lies in the capacity to build coalitions founded on interpersonal trust.[50] These coalitions form organically over time, engendering trust and compliance by wrapping family, social, cultural, and religious affiliations around important business relationships. Reputation is highly prized so as to effectively discourage dishonesty.[51]

Herein lie the conflicting treatments of payment platforms, as agents of state regulation or as spaces blending culture, commerce, development, and shared identity. In using the concept of a coalition, Ballard makes a particular statement about the shared interests of those functioning within these ancient networks. Like Ballard and Passas, Avner Greif, who wrote about intra-cultural dynamics among traders in Africa's Maghribi region during the eleventh century, identifies shared ethno-religious origins as forming a natural basis on which to build a "coalition" and to circulate information about a trader's performance history.[52] The nature of these interactions among traders within the coalition was such that they reinforced group social structures, firmly embedding business relationships within a broader ethno-cultural value system.[53]

Just as a strand of current political discourse has sought to create the appearance of a causal nexus between remittance users and America's current economic anxieties, so too did the post-9/11 counter-terrorist narrative nurture a particular view of remittance flows into countries with large or majority Muslim populations, infusing them with paranoia about people resorting to these transactions and their suspected motives. Both were situations in which information, or the lack of it, became synonymous with categorizing remittance users as risky. Western regulators saw the potential for such risk whenever legal or natural persons can undetectably move through networked spaces. Amoore and de Goede specifically mention the use of informal remittances as a barrier to achieving data surveillance pre-

49. Ballard, *supra* note 43, at 325.

50. *Id.* at 344.

51. *Id.* at 328.

52. *See* Greif, *Reputation*, *supra* note 47, at 882; *see also* Avner Greif, *Contract Enforceability and Economic Institutions in Early Trade: The Maghribi Traders' Coalition*, 83 AM. ECON. REV. 525, 526 (1993).

53. *Id.*

cisely because they generate no footprint.[54] They argue that people who live within a surveillance society without generating any technological profile offer examples of the potential for misidentification, given the presumptions made about people who do not use bank accounts, credit cards, or other commercial technologies that function in the modern economy as trust affirming mechanisms. Contrast this approach with that of Emmanuel Yujuico, who notes the consumer attraction to anonymity (beyond our general desire for privacy), which provides relative immunity from corrupt, rent-seeking behaviors that target remittance flows and helps migrants lacking documentation escape detection from immigration authorities.[55]

The seemingly different treatments of migrant remittances share important themes in common. They reflect a dystopian worldview in which dangers lie beyond U.S. borders—dangers which must remain carefully managed to exclude outsiders deemed a threat both to America's way of life and to her standing as a global superpower. Be they Muslims unfairly associated with religious extremism or immigrant Latinos whose population includes a subset of undocumented laborers being blamed in part for the plight of America's working class, racial, religious, and cultural invectives are now part of the payment landscape as expressed by existing laws, by proposed changes to those laws, and by a growing portion of the conservative American populous.

III. The Economic Interplay Between Globalization, Migration, White Identity Politics, and Race as Co-Determinants of Antipathy Towards Remittance Users

Migrant remittances have become a point of cross-cultural contact between two discrete demographic groups who have become globalization's casualties in albeit different ways. The increased technological capacity to quickly move people and capital across great distances and the outsourcing of manufacturing jobs that has decimated the American economy are firmly rooted in globalization. Yet, these shifts have been especially harsh on the working class in developed countries like the United States, where white males with no post-secondary education have been excluded from the latest signs of economic growth.[56] The resulting mismatch between the longstanding mantra of securing socioeconomic mobility with persistent hard work and the current earnings trends have led to a crisis of confidence in the ability of traditional political institutions to

54. Louise Amoore & Marieke de Goede, *Transactions after 9/11: The Banal Face of the Preemptive Strike*, 33 TRANSACTIONS INST. BRIT. GEOGRAPHERS 173, 181 (2008).

55. Emmanuel Yujuico, *All Modes Lead to Home: Assessing the State of the Remittance Art*, 9 GLOBAL NETWORKS 63, 72 (2009).

56. *The Weaker Sex*, THE ECONOMIST (May 30, 2015), http://www.economist.com/news/leaders/21652323-blue-collar-men-rich-countries-are-trouble-they-must-learn-adapt-weaker-sex [https://perma.cc/AW2A-P9MN] [hereinafter *The Weaker Sex*]; *see also* Victor Tan Chen, *All Hollowed Out*, THE ATLANTIC (Jan. 16, 2016), http://www.theatlantic.com/business/archive/2016/01/white-working-class-poverty/424341/?utm_source=atlfb [https://perma.cc/ZKR5-YBG3].

serve the broader public good.[57] Much of that frustration has been trained on illegal immigrants who symbolize stolen prosperity and dependency on a social welfare state viewed as unable to care for marginalized Americans.[58] Recent data places these attitudes in statistical context.

Between July 8, 2015 and August 31, 2016, Gallup surveyed 112,995 American adults about their views of Donald Trump.[59] The findings revealed that Republicans who favored Trump were more likely than other Republicans to oppose free trade and immigration;[60] more likely to feel economically insecure;[61] more likely to be white, heterosexual, non-Hispanic males;[62] and were less likely to have attained post-secondary education.[63] The survey also found that blue-collar workers—particularly those whose jobs were exposed to the effects of trade competition—were far more likely to support Trump.[64] Significantly, respondents living in zip codes with disproportionately white residents were also much more likely to support Trump.[65] These respondents' pessimistic outlook is juxtaposed against an economy where median incomes climbed in 2015, and where the unemployment rate has plummeted from 9.9 percent in March 2010 to 4.9 in September 2016. Yet, recent Census Bureau data also establishes the following: minorities dominated the country's earnings growth, posting the greatest rises among Hispanics in 2015;[66] there was a seventy percent increase in the proportion of immigrants living in the United States between 1994 and 2014;[67] and the estimated number of unauthorized immigrants roughly doubled from 5.7 million to 11.1 million in a ten-year period ending in 2014.[68] Throughout much of the same period, American men with a high school education saw their pay drop by twenty-one percent.[69]

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57. Jonathan T. Rothwell, *Explaining nationalist political views: The case of Donald Trump*, Unpublished Manuscript, 1, 9 http://pelg.ucsd.edu/2.rothwell_2016.pdf [https://perma.cc/KT4G-FWHD] (last visited Mar. 2, 2017).

58. *Id.*

59. *Id.*

60. *Id.*

61. *Id.*

62. *Id.* at 11.

63. *Id.*

64. *Id.* at 12.

65. *Id.* at 13.

66. Bernadette D. Proctor et al., *Income and Poverty in the United States: 2015*, *Current Population Reports*, U.S. Census Bureau 5 (2016). https://www.census.gov/content/dam/Census/library/publications/2016/demo/p60-256.pdf [https://perma.cc/R7MH-8PVB]; Valerie Wilson, *New Census Data Show Strong 2015 Earnings Growth Across the Board, with Black and Hispanic Workers Seeing the Fastest Growth*, The Econ. Pol'y Inst. (Sept. 13, 2016), http://www.epi.org/blog/new-census-data-show-strong-2015-earnings-growth-across-the-board-with-black-and-hispanic-workers-seeing-the-fastest-growth/ [http://perma.cc/JHH6-VXT5].

67. *The Economic and Fiscal Consequences of Immigration*, Nat'l Acads. Sci., Engineering & Med. (Francine D. Blau & Christopher Mackie eds., 2016), https://www.nap.edu/read/23550/chapter/1 [https://perma.cc/Q7DF-8AA6].

68. *Id.*

69. *The Weaker Sex*, *supra* note 56.

It is tempting to blame globalization for much of the current tension arising from the collision of race, class, and identity politics in American life. However, these tensions are as old as the country's labor movement itself, which has played a central role in the formation of white working class identity and the expectations of its intended beneficiaries. The *socialist consciousness* endorsed by labor groups formed during the nineteenth and early twentieth centuries, such as The Knights of Labor and The Industrial Workers of the World, consciously took aim at the ways in which capitalism exploited gender and race. The American Federation of Labor (AFL), whose leadership embraced the more protectionist notion of *job consciousness*, eventually eclipsed these organizations. Job consciousness was a "protectionist ideology that [lent] itself to exclusionary practices and [did] not seek to challenge the basic structure of production."[70] This philosophical shift combined with an organizational emphasis on craft unionism that gave pride of place to white males on the shop floor to effectively marginalize women and people of color within the labor movement. This protectionism also operated in various ways to entrench white male privilege. Craft unions controlled who was hired and which workers would have access to skilled jobs. As the AFL became more influential, it formalized practices of racial exclusion as foundational to the development white working class solidarity. In her book chronicling Seattle's 1920s labor movement, Dana Frank describes how the AFL's unions organized boycotts of businesses either owned by Japanese Immigrants or by whites willing to hire Japanese workers.[71] Given their capacity to make consumer choices on behalf of their households, white women were also encouraged to participate in racial exclusion by limiting their patronage to businesses hiring only white workers.[72] This job consciousness would eventually morph into business unionism, born of the 1955 merger between the AFL and the CIO.[73] As with its predecessor, business unionism was mainly concerned with securing for its unionized members a maximal share of the prosperity they helped to create. The rise of business unionism eventually coincided with the ascendancy of various social justice movements.[74] The identity politics of race, gender, LGBTQ, the disabled, and environmentalism were eventually juxtaposed with a labor movement whose primary beneficiaries were white men. Although social justice movements and organized labor did not part ways forever, globalization could not have made the reunion easy. For example, the working conditions endured by undocumented workers only emerged as a matter of strategic import to the AFL after a sharp drop in unionization gradually led to the end of its hostile stance

70. Marion Crain & Ken Mathey, *Labor's Identity Crisis,* 89 CAL. L. REV. 1767, 1775 (2001).

71. DANA FRANK, PURCHASING POWER: CONSUMER ORGANIZING, GENDER, AND THE SEATTLE LABOR MOVEMENT 1919-1929 6-7 (1994).

72. *Id.*

73. *Id.* at 251.

74. Austin McCoy, *Bringing The Social Back: Rethinking The Declension Narrative of Twentieth-Century US Labour History*, 41 SOC. HIST. 1, 9-10 (2016).

toward illegal aliens as a collective threat to its workers.[75] This brief history should remind readers that organized labor has not been blameless in nurturing the expectations of its workers in ways that were not always responsive to claims for equity. Although their position within the global economy may have severely diminished, the legacy of expectations they inculcated among subsets of their dispossessed membership remains firmly intact and unmet.

In a global economy where falling trade barriers and a demand for technologically skilled jobs have eviscerated manufacturing jobs, these workers face limited choices, which typically include competing for the low-skilled jobs that are traditionally the domain of adolescents and a swath of newly-arrived immigrants willing to do unskilled work. Yet, it is impossible to discuss this particular confluence of migration, immigration, mobility, and employment without discussing race and white identity politics. White identity politics matter not simply because of racism, but because of race's centrality as a variable allocating privilege and expectations among those used to occupying a particular place within America's political economy.

This Article defines identity politics as those forces prompting people or organizations to coalesce around a set of shared themes, usually producing an organizing process that shapes the discourse about experiences common to a group's constituents.[76] Such patterns often occur as part of a dialectic in which an occurrence or state of affairs has spurred those affected to respond while recognizing a set of intra-group norms. Jim Crow era laws, prohibition of women's right to vote, heterosexism, and environmental harm have each spawned large-scale movements seeking social change while at the same time eliciting intense opposition. Each of these contests, in turn, has refined the identity politics of their respective participants in an evolutionary process that can revise interpretations of the very themes around which people and organizations initially coalesced. I do not share the view of identity politics scholars whose unifying themes are commonly formed around what Jessica Knouse calls anatomical or quasi-anatomical attributes.[77] Anatomical attributes are features such as the color of one's skin or gender, whereas quasi-anatomical attributes refer to concepts such as sexual orientation or certain kinds of disabilities not apparent through physical examination.[78] By contrast, theorists place the

75. Michael Kazin, *How Labor Learned to Love Immigration*, NEW REPUBLIC (May 13, 2013), https://newrepublic.com/article/113203/labor-and-immigration-how-unions-got-board-immigration-reform [https://perma.cc/MJA2-ZWCT].

76. This theory's precise origins remain a matter of debate. *See* Renee Anspach, *From Stigma to Identity Politics: Political Activism Among the Physically Disabled and Former Mental Patients*, 13A SOC. SCI. & MED.: MED. PSYCH. & MED. SOC. 765, 765-67 (1979); Mary Bernstein, *Identity Politics,* 31 ANN. REV. SOC. 47, 47-52 (2005); *Combahee River Collective Statement, April 1977 in* HOME GIRLS: A BLACK FEMINIST ANTHOLOGY 272-82 (Barbara Smith ed., 1983); and Duchess Harris, *All of Who I Am in the Same Place: The Combahee River Collective*, *in* 2 WOMANIST THEORY & RES. (1999).

77. Jessica Knouse, *From Identity Politics to Ideology Politics*, 2009 UTAH L. REV. 749, 752 (2009).

78. *Id.* at 753.

politics of social class outside the framework of identity politics, which examines the status-based relationships between experience, culture, identity, politics, and power,[79] and takes up questions about the identities being defended. This distinction is cumbersome, given the extant correlations between socioeconomic status and attributes considered anatomical or quasi-anatomical. For example, poverty serves as both a reference point for social class and as a product of systemic racism, and the persistent wage gap between men and women remains at the intersection of economics and sexism. Isolating anatomical traits also complicates the location of one's immigration status as a unifying theme, because many undocumented migrant workers are also poor and racialized, leaving them vulnerable to specific kinds of exploitation that become determinants of their socio-economic standing. Their plight also informs part of Trump's narrative that illegal immigration undercuts wages for American workers, which lies at the center of his proposal for interrupting remittance flows to Mexico.

Race consists of both physical and cultural constructs with complex etiologies, and, as George Lipsitz observed, "conscious and deliberate actions have institutionalized group identity in the United States, not just through the dissemination of cultural stories, but also through systematic efforts from colonial times to the present to create economic advantages through a possessive investment in whiteness. . . ."[80] This framing of white identity is also useful in describing the allocation of relative advantages among the poor, consistent with Lyndon Johnson's famous quote: "If you can convince the lowest white man he's better than the best colored man, he won't notice you're picking his pocket. Hell, give him somebody to look down on, and he'll empty his pockets for you."[81] Johnson's politically shrewd statement resonates today and lies at the heart of the political calculus informing Trump's proposal. The expanding presence of non-white immigrants and the gradual "browning" of American society are occurring at that very moment when America's white working-class men are not keeping pace with income earners in other demographic groups, and who are now struggling with the collective realization that there may be fewer people "to look down on." Once understood in racial terms, the politicization of remittances attempts to causally connect remittance users to the erosion of benefits derived from whiteness as a rapidly devaluing form of cultural and economic currency. Perhaps most striking is the rapidity with which racial invectives have become more explicit departures

79. For a discussion of neo-Marxist treatments of intersections between class and status identities see Bernstein, *supra* note 76, at 49.

80. George Lipsitz, The Possessive Investment in Whiteness: How White People Profit from Identity Politics 2 (2006).

81. Bill D. Moyers, *What a Real President Was Like*, Wash. Post (Nov. 13, 1988), https://www.washingtonpost.com/archive/opinions/1988/11/13/what-a-real-president-was-like/d483c1be-d0da-43b7-bde6-04e10106ff6c/?utm_term=.0b3e0f5bb5d6 [https://perma.cc/B5CW-LK97]. While Johnson was referring to African-Americans when referring to the "colored man," his comments remain relevant vis-à-vis relationships between people of color and white Americans.

from the relatively coded lexicon, which grew out of the so-called "Southern Strategy." Lee Atwater's infamous quote neatly captures the theory of this evolution:

> You start out in 1954 by saying, "Nigger, nigger, nigger." By 1968 you can't say "nigger"—that hurts you, backfires. So you say stuff like, uh, forced busing, states' rights, and all that stuff, and you're getting so abstract. Now, you're talking about cutting taxes, and all these things you're talking about are totally economic things and a byproduct [sic] of them is, blacks get hurt worse than whites . . . . "We want to cut this," is much more abstract than even the busing thing, uh, and a hell of a lot more abstract than "Nigger, nigger.[82]

The legacy of this evolution would manifest itself in ostensibly race-neutral presidential campaign strategies, many of which were intended to have lasting economic effects on African-Americans. For example, reactions to passage of the Civil Rights Act of 1964, popularized phrases like "law and order" (in response to race riots that periodically broke out in cities across the country) and "freedom of choice" (in response to school desegregation), which helped to engineer the gradual departure of white conservatives from the Democratic party.[83] The references to welfare dependency among minorities are particularly germane to this Article, which recognizes as a fact the enduring stereotypical assumptions of African-Americans and other minorities as being overly dependent on various forms of government assistance—such as food stamp use—as a reflection of their poor work ethic, disrespect for individualism, and the inability to maintain supportive family structures. During a 1976 campaign rally, Reagan told listeners about Linda Taylor, an African-American woman in Chicago facing charges for welfare fraud. According to Reagan this "welfare queen," as the Chicago Tribune had named her, used "80 names, thirty addresses, fifteen telephone numbers to collect food stamps, Social Security, veterans' benefits for four nonexistent deceased veteran husbands, as well as welfare. Her tax-free cash income alone has been running $150,000 a year."[84] Politicizing examples of welfare fraud dovetailed with a neoconservative

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82. Rick Perlstein, *Exclusive: Lee Atwater's Infamous 1981 Interview on the Southern Strategy,* The Nation, (Nov. 13, 2012), https://www.thenation.com/article/exclusive-lee-atwaters-infamous-1981-interview-southern-strategy/.

83. For a concise summary of this history, see Leland Ware & David C. Wilson, *Jim Crow On The "Down Low": Subtle Racial Appeals In Presidential Campaigns*, 24 St. John's J. Legal Comment. 299, 309–10 (2009).

84. Josh Levin, *The Welfare Queen*, Slate (Dec. 19, 2013 12:41AM), http://www.slate.com/articles/news_and_politics/history/2013/12/linda_taylor_welfare_queen_ronald_reagan_made_her_a_notorious_american_villain.html [https://perma.cc/NA34-64J2]. It is ironic that such racially coded welfare narratives not only entered the payment landscape, but helped Reagan win the election, only to embark on a program to dismantle the very trade unions that shored up white working-class identity in America. Reagan put his willingness to confront organized labor on full display less than seven months into his first term. On August 3, 1981, roughly 13,000 the Professional Air Traffic Controllers Organization (PATCO) went on strike. Georgette Miller et al., *The 1981 Strike of the Air Traffic Controllers in the United States,* 7 Air L. 215, 215 (1982). Through the Federal Aviation Administration, Reagan moved to terminate more than 11,000 workers who ignored his demands to return to work. *Id*. For an interesting discussion of this

agenda that rejected identity-based politics originating from the civil rights, feminist, and anti-war movements (among others). As Anthony Cook argues, this agenda "advocated supply-side, free trade, and deregulatory policies over demand-side, fair trade, and regulatory approaches to the economy. It implemented statist over individual-liberty approaches to national security and demanded the prioritization of military over social welfare spending, even if unprecedented federal deficits resulted."[85] Here I must acknowledge the characterization of globalization as the politicized rationale for the labor movement's demise rather than the predominant cause. This is consistent with the findings of the Center for Economic Policy and Research, which noted that the unionized proportion of American workers reached thirty percent at its apex in the 1960s.[86] The next fifty years would see this figure fall to twelve percent—last place among the world's top twenty-one developed countries.[87] Whether viewed as the direct cause of the labor movement's demise or a by-product of neoliberalism's embrace of it, globalization's impact remains relevant in considering corporatist motivations for outsourcing millions of American jobs from the 1980s onward.

The effects of this shift have been felt in unionized and non-unionized workplaces alike. A statistical analysis of American wages recently published by the Economic Policy Institute found an association between deunionization and wage suppression among non-unionized, private sector workers without college degrees.[88] The report estimates that male salaries would be $3000 higher per year had unions remained as strong in 2013 as they were in the late 1970s.[89] The differential was relatively modest for women—$676 per year.[90] Significantly, these figures do not expressly control for regional variations in deunionization, with Midwestern states experiencing the most dramatic declines in owing to their contracted industrial economic bases.[91] Nor do they expressly isolate for race to determine racial disparities in their calculations. The scope of unionization's influence on non-unionized workplaces should not be limited to wages. Its history of systematic and deliberate racial exclusion in the development of white working class identity served as a functional complement to the explicit racism and, eventually, the racial coding that defined mod-

strike's antecedents and effects on the AFL's influence, see the Georgette Miller article cited within this footnote.

85. Anthony Cook, *The Ghosts Of 1964: Race, Reagan, And The Neo-Conservative Backlash To The Civil Rights Movement,* 6 ALA. C.R. & C.L. L. REV. 81, 110 (2015).

86. John Schmitt & Alexandra Mitukiewicz, *Politics Matter: Changes in Unionization Rates in Rich Countries, 1960–2010*, CTR. ECON. POL'Y & RES., 1, 2–5 (2011).

87. *Id.* at 2, 4–5.

88. Jake Rosenfeld et al., *Union Decline Lowers Wages of Nonunion Workers*, ECON. POL'Y INST., 12–13 (2016).

89. *Id.*

90. *Id.*

91. For data capturing regional deunionization rates, see Barry Hirsch et al., *50 Years Of Shrinking Union Membership, In One Map,* PLANET MONEY (Feb. 23, 2015), http://www.npr.org/sections/money/2015/02/23/385843576/50-years-of-shrinking-union-membership-in-one-map [https://perma.cc/56SR-BBX9].

ern American politics. Organized labor's severance from social justice movements would eventually support neoliberalism's arrival at the workshop floor, with dire consequences for the vary workers who were convinced they would benefit from business unionism indefinitely.

IV. Locating Migrant Remittances Within Payment System Taxonomy

While much has been written about the significance of consumer purchasing choices, myriad social meanings also attend *how* we pay for things. For example, the respective social treatments of being poor versus relying on food stamps are reflected in wider perceptions of poverty as opposed to social welfare dependency. These perceptions also converge with attitudes towards racial minorities and immigrants as well as stereotypical assumptions about the kinds of payment practices most common among these populations. Assumptions that African-Americans, Latinos, and immigrants are more likely to be welfare dependents connotes views about the use of payment practices supporting access to such dependency, with the result that a negative social coding now surrounds remittance usage, aided by apprehensions about national security, the state of the U.S. economy, and the presence of undocumented immigrants inside America's borders. In the remittance context, this evolution has been underway for at least the last fifteen years. Themes flowing through remittance scholarship since 9/11 reflect a set of societal anxieties about these transactional spaces, and the actors within them relegate these particular payment practices to a position of ignobility among other payment typologies. These typologies lay along a continuum with more respectable, mainstream debit and credit card usage at one end and migrant remittances practices at the other. However, the existence of all these pathways to accessing payment processing supports the notion that processes by which people receive or make payments are vital to both domestic and international economic participation. Checks, money orders, and other payment instruments are of diminished monetary value without facilities to support their negotiability. Similarly, access to international wire transfer services is of critical importance to migrants and their receiving country economies insofar as the infrastructure supporting this *capital* mobility also supports *migrant* mobility.

Conventional retail banking occupies the most desirable position along the payment continuum, with nearly seventy percent of all American households being fully banked.[92] According to the FDIC, the proportion of unbanked households was 7.7% (or 9.6 million households) in 2013.[93]

92. This Article defines a "bank" as a depository institution that is (i) insured by the FDIC; and (ii) chartered and examined by either a federal or state bank regulatory agency.

93. FDIC, National Survey of Unbanked and Underbanked Households 4 (2013). "Unbanked" households are those in which nobody has a checking or savings account at an insured financial institution. "Underbanked" households have checking or savings accounts but use alternative financial services. The FDIC classifies the latter as underbanked if they use "non-bank money orders, non-bank check-cashing services,

During the same period, the number of underbanked households reached twenty percent (or 24.8 million).[94] Fully banked households can meet the requirements for opening a checking or savings account and, in the case of the former, maintaining a minimum balance to avoid monthly fees. The result is access to lower transactional costs associated with cashing checks and using debit or credit cards. Consumers who cannot meet the requirements for opening a checking account must resort to check-cashing businesses, which charge a fee for each check cashed. Here, I briefly focus on check-cashing services because federal regulation imposes a system of hold periods on checks, effectively deterring retail bank usage among lower-income consumers who cannot afford to wait for access to their funds.[95] This corrals poorer consumers (those lower along the desirability continuum) towards check-cashers who provide services to those who cannot access retail banking. Similar considerations revolve around affordable access to credit, because consumers with relationships to retail banks are able to obtain loans whereas their less-creditworthy counterparts often resort to so-called payday loans. Despite the ethical misgivings that might surround seemingly predatory fee structures within alternative financial service providers, Michael Barr observes some endogenous challenges:

> These are paper- and labor-intensive transactions involving small dollar amounts, conducted on behalf of consumers with low wealth and often uncertain or poor credit history. These transactions are undertaken largely by financial service providers, which, unlike insured depositories, lack direct access to the payments system for check clearance. Moreover, the fixed costs of lending show up in higher prices for loans of short duration and small amounts.[96]

Further along the continuum sit those payment instruments supporting social welfare programs—such as Electronic Benefits Transfer (EBT) schemes—associated with those considered flawed inasmuch as a stigma persists around food stamp dependency. EBT cards are the latest iteration of a federally funded program that began under the Lyndon Johnson administration with passage of the Food Stamp Act of 1964.[97] EBT cards are technologically configured to control beneficiary purchasing choices, curtailing transactional autonomy in the process. As instruments of digital surveillance, these cards are the modern reincarnation of home inspectors and other virtue testing schemes imposed on the poor as a precondition of

non-bank remittances, payday loans, rent-to-own services, pawn shop loans, refund anticipation loans, or auto title loans at least once in the [twelve months preceding its periodic surveys]. *See Glossary*, FDIC (last visited Oct. 8, 2016), https://www.economicinclusion.gov/glossary.html [https://perma.cc/2Q5N-3NGU]. In passing, it is noteworthy to observe that affluent immigrants forced to rely on alternative financial services to remit funds to their home countries are deemed underbanked, without regard for the lack of correspondent banking options in receiving countries that might support bank-to-bank wire transfers. *See id.*

94. FDIC, *supra* note 93.

95. 12 C.F.R. § 229.12 *et seq.*

96. Michael Barr, *Banking on the Poor*, 21 YALE J. ON REG. 121, 124 (2004).

97. Food Stamp Act of 1964, Pub. L. No. 88-525, 78 Stat. 703 (codified as amended at 7 U.S.C. §§ 2011-2036(a) (2012)).

welfare eligibility. This scrutiny is not a cost-saving measure and accounts for the largest portion of America's federal food stamp budget. In 1990 the average food stamp beneficiary's monthly allocation was $58.78 (or $104.82 adjusted for inflation to the year 2013). By 2013 the monthly allocation rose to $113.07 per person. During the same period overall program costs ballooned from $14.1 billion in 1990 to $76.1 billion in 2013, with no commensurate increase in beneficiary enrollment.[98] These increases reflect the technological costs associated with regulating end users. Although the program could save money by doubling individual payments as checks or direct deposit, the more expensive status quo remains politic and consonant with persistent stereotypes about so-called "welfare queens" and other connotations used to culturally demean those who are dependent on welfare.

So, why do migrant remittances occupy the last position on the continuum? The answer is both cultural and political insofar as remittances cater to "the other," by which I mean those whose financial needs bind them to other cultures, other societies, and other practices considered outside normative modern payment conventions most Americans observe. People who collectively constitute "the other" are more likely to be people of color, given the ethnic composition of migrant producing countries. The data confirms their growing presence in developed economies where job opportunities and wages are relatively good when compared to the limited options available in remittance dependent economies. Remittances are somehow connected to the very things that make many Americans fearful: economic decline, insecurities made more complex by the end of the Cold War and seemingly atomized dispersal of risk lurking around every corner. This construction of remittances is the predictable result of their politicization, and may transform them into toxic points of convergence where friction persists between immigrants and sending country citizens. Clients using migrant remittances represent an emerging "class of deplorables" within modern payment hierarchy precisely because they operate in transactional spaces where they become a collective touchstone for expressing Americans' anxiety about their country's place in the new economy, while making them nostalgic for an unlikely return to protectionism.

A taxonomical approach offers a useful way to understand relationships between remittance customers and their working class detractors, many of whom have cascaded from one end of the payment continuum towards the other because of their economic misfortunes. Those who bear the brunt of globalism are likely to perceive themselves as being within economic proximity to those very migrants considered agents of unwanted change and with whom they see themselves in direct conflict. This perceived proximity animates fears that legitimize xenophobic isolationism in a world order where reversion to trade protectionism is unlikely, and where

98. Wilks, *supra* note 3, at 332; *see also Supplemental Nutrition Assistance Program Participation and Costs*, U.S.D.A. FNS (last updated June 7, 2017), http://www.fns.usda.gov/pd/SNAPsummary.htm [https://perma.cc/K96A-YBHN].

the implied benefits long associated with whiteness can no longer be taken for granted.

Conclusion

Using law to conscript financial technology in aid of state goals is not new. Financial institutions have long been subject to myriad legal and regulatory reporting requirements designed to combat money laundering, enforce economic sanctions, support tax compliance, and interdict the financing of terrorism. Trump's particular approach to this tradition, however, seeks to capitalize on a particularly toxic convergence of race, class, economics, and globalization. America is not alone in its recent experience with surges in right wing, nationalist populism. Globalism's winds have posed challenges to those who have enjoyed the benefits of protectionist trade policies that no longer exist, placing them on a collision course with diaspora migrants from the poorest countries who are now mobile, thanks to financial technologies that ease the process of remitting funds home. This collision is a complicated alchemy, which lays bare the ways in which populist faith in the free market appears to be eroding under the strain of globalization's effects.

In politicizing migrant remittance flows to Mexico, Donald Trump has signaled both a political recognition of this erosion and a willingness to exploit it. In doing so, he has done more than simply peddle a narrative that appeals to a base of voters increasingly dissatisfied with America's political class. He has likely prompted a new set of considerations among diaspora communities anxious to preserve existing remittance flows in the face of intense anxiety about America's working poor.[99] Yet this conflict demonstrates how modern payment platforms now serve a range of functions one might have seen in a medieval town square: they facilitate commerce while serving as points of conflict and as places of protest. Every possible kind of human and institutional actor passes through this square, shaping its form and function, whether deliberately or unwittingly. The respective aspirations of globalism's human casualties are a deeply complex ecology—reflecting a range of outlooks in relation to one another.

On the heels of a presidential campaign defined by explicitly divisive rhetoric transcending the traditional limits of dog-whistle politics, dismissive attitudes towards Trump's campaign proposal have crystalized into palpable fears among progressives who now worry about the potential of witnessing the deployment of proposals that once seemed unlikely. Whether or not President Trump ultimately expands federal regulations to require proof of lawful presence in the country as a precondition of access to international remittance services may matter less than the consequences of linking these transactions to undocumented immigrants in the minds of the white working class.

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99. "Diaspora" is a more functional label for the portion of the analysis, encapsulating the broader spectrum of remittance users, including undocumented workers and those who are lawfully present in the United States.