Book Review: Exits, Voices and Social Investment: Citizens’ Reaction to Public Services

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Over fifty years ago, Albert Hirschman argued that dissatisfied consumers could either voice complaint or exit when they were dissatisfied with goods or services. Loyal consumers would voice rather than exit. Hirschman argued that making exit easier from publicly provided services, such as health or education, would reduce voice, taking the richest and most articulate away and this would lead to the deterioration of public services. Keith Dowding and Peter John provide the first thorough empirical study of these ideas. Using a modified version of Hirschman’s account, examining private and collective voice, and viewing loyalty as a form of social investment, it is grounded on a dedicated five-year panel study of British citizens. Richard Simmons congratulates the authors for the successful extension of the original model.


Keith Dowding (https://researchers.anu.edu.au/researchers/dowding-km) and Peter John (http://www.ucl.ac.uk/spp/people/peter-john) have achieved something significant in this new text. Exits, Voices and Social Investment represents a genuine step forward in developing Albert Hirschman’s (1970) classic Exit, Voice and Loyalty (http://books.google.co.uk/books/about/Exit_Voice_and_Loyalty.html?id=vYO6sDvjvCg&redir_esc=y) framework. Drawing on a long-term engagement with this theory over two decades, the authors seek to provide leadership in the robust operationalization of the framework for research. In general, they succeed in their task, demonstrating how particular dilemmas might be negotiated. As a result, they rightly note (p.131) that the full potential of the framework has not been realized by public administration scholars due to a degree of ambiguity within the theory that requires a more nuanced approach to the key concepts.

In particular, they suggest a division of two of the key concepts: exit and voice. Exit is sub-divided into ‘internal exit’ (from one public service provider to another), ‘private exit’ (from the public sector to the private sector) and ‘geographical’ or ‘Tiebout’ exit (moving from one geographical location to another where public services are better). Voice is subdivided into ‘individual voice’, ‘collective voice vote’, and ‘collective voice participation’. The authors point out that these different types of exit and voice have often been conflated in previous studies. The ability to distinguish between these different categories therefore greatly extends the potential specificity of research designs using Hirschman’s framework.

Hirschman’s third concept, loyalty, is given similarly acute analysis. The conclusion is that loyalty in the public sector is due to ‘social investment’ in a community or way of life, rather than in the public service product itself. This is perhaps the authors’ least convincing adaptation of Hirschman’s framework, in that it again appears to suggest the need for further subdivision, at least between investment and identification. In some ways this may reflect an undue commitment to rational choice explanations. Notions of ‘investment’ allow things to be placed more easily in a cost-benefit calculus; notions of ‘identification’ are more difficult to place in this perspective.
Some of the extended discussion in the book will be familiar to followers of the authors’ previous work; sections on Tiebout exit and the relative utility of the exit-voice-loyalty-neglect model developed by Caryl Rusbult and her colleagues, for example. However, the use of new empirical material provides strong support to the key arguments for three forms of both exit and voice to be taken into account. In particular it confirms that these concepts are multi dimensional, raising questions about the poorly-defined or composite way these variables have been used in a good deal of previous research. The use of new conceptualisations of ‘social investment’ as a way of understanding how loyalty affects the exit-voice trade-off is also significant, even if there is scope for further development of this theme.

Concerns about the book’s overall message are few. However, the treatment of certain aspects does raise some interesting questions. For example, the authors draw attention to Hirschman’s original text (1970: 83) to suggest that exit can be interpreted as a ‘decision to withdraw or switch’. Yet the subdivisions between internal, private and geographical exit are related only to ‘switching’. None of these ways of conceptualising exit deals convincingly with withdrawal. In our own empirical work we have conceptualised withdrawal as ‘exit without alternatives’, or withdrawal from the service system altogether (Simmons et al., 2012 (http://ppa.sagepub.com/content/27/1/3.abstract)). There are a number of public service situations in which this form of exit may take place, and it may be that this could be considered in any further development of the book’s argument. Some readers may also question the relatively small variances in places in the empirical data from which a range of inferences are drawn.

However, there can be no doubt over the thoroughness of the theoretical and empirical work that has led to this exciting new text. In short, Exits, Voices and Social Investment takes a model that has served researchers well for more than forty years and extends its value for a new generation. This is no small feat, and the authors are to be congratulated for it.

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