Exit, Voice, and Collective Action.

An Integration and Empirical Test of Albert Hirschman's Theory and the Theory of Collective Action

Prof. Dr. Karl-Dieter Opp
Universität Leipzig, Institut für Soziologie (Emeritus)
University of Washington (Seattle), Dept. of Sociology (Affiliate Professor)
opp@sozio.uni-leipzig.de

Two theories are applied in explanations of collective action:

- Hirschman‘s theory suggested in „Exit, Voice, and Loyalty“ (1970) and
- the theory of collective action (based on M. Olson‘s book 1965).

There is so far no systematic comparison of the theories. Such a comparison should address the following questions:

- What are the **differences** between the theories?
- Is there a possibility to formulate an **integrated theory** that includes both theories as special cases?
- If so, what is the **empirical evidence** for this theory?

These are the questions that I will address.

Outline of the presentation:

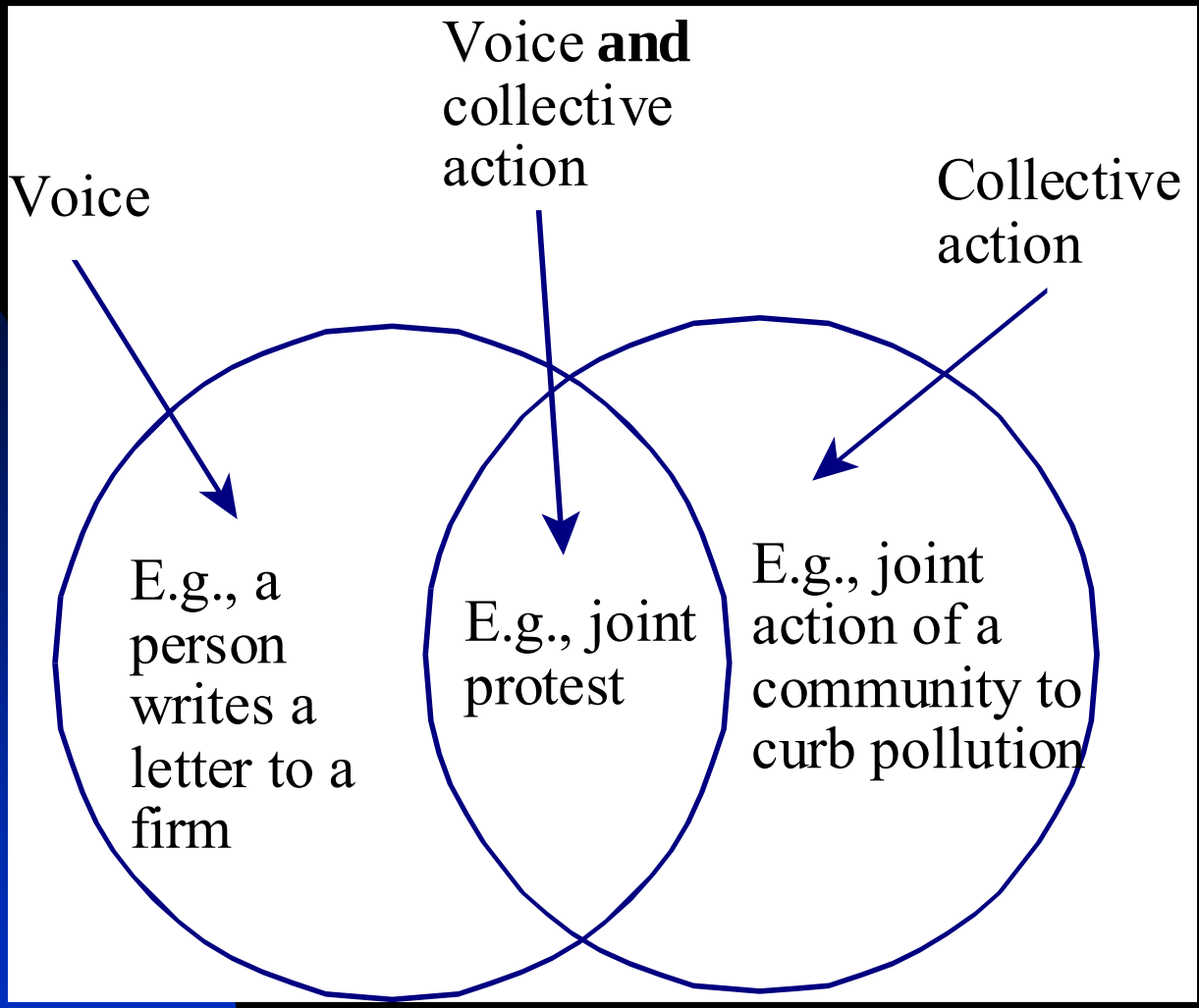
- The phenomena explained
- A reconstruction (!) of the theories
- An application of the theories to migration intention (=exit) and protest (=voice)
- An integration and modification of the theories
- An empirical test of the model with a three-wave panel
- Questions and Problems

The Phenomena Explained

- HIRSCHMAN: Exit – leave an organization or group.
- HIRSCHMAN: Voice – „any attempt at all to change, rather than to escape from, an objectionable state of affairs through … individual or collective petition … appeal to a higher authority … or through various types of actions and protests“ (30)
  - Example: Quality of a product declines …
- OLSON: Collective action – joint action to reach shared goals.

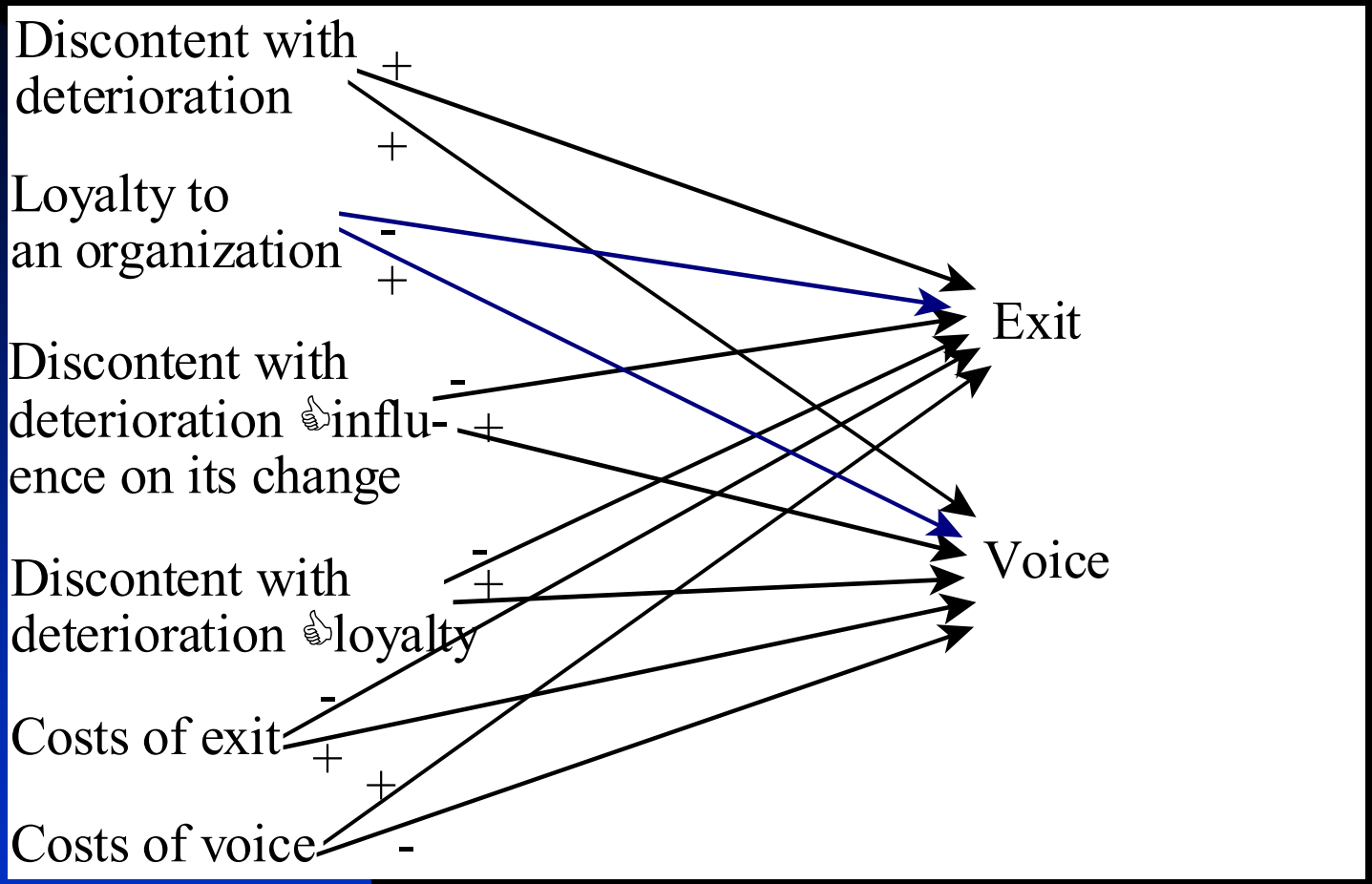
Are there joint explananda?

- „Exit“ is only explained by Hirschman‘s theory;
- How are „voice“ and „collective action“ related?



Thus, the theories have a common set of phenomena they try to explain. They can thus be compared.

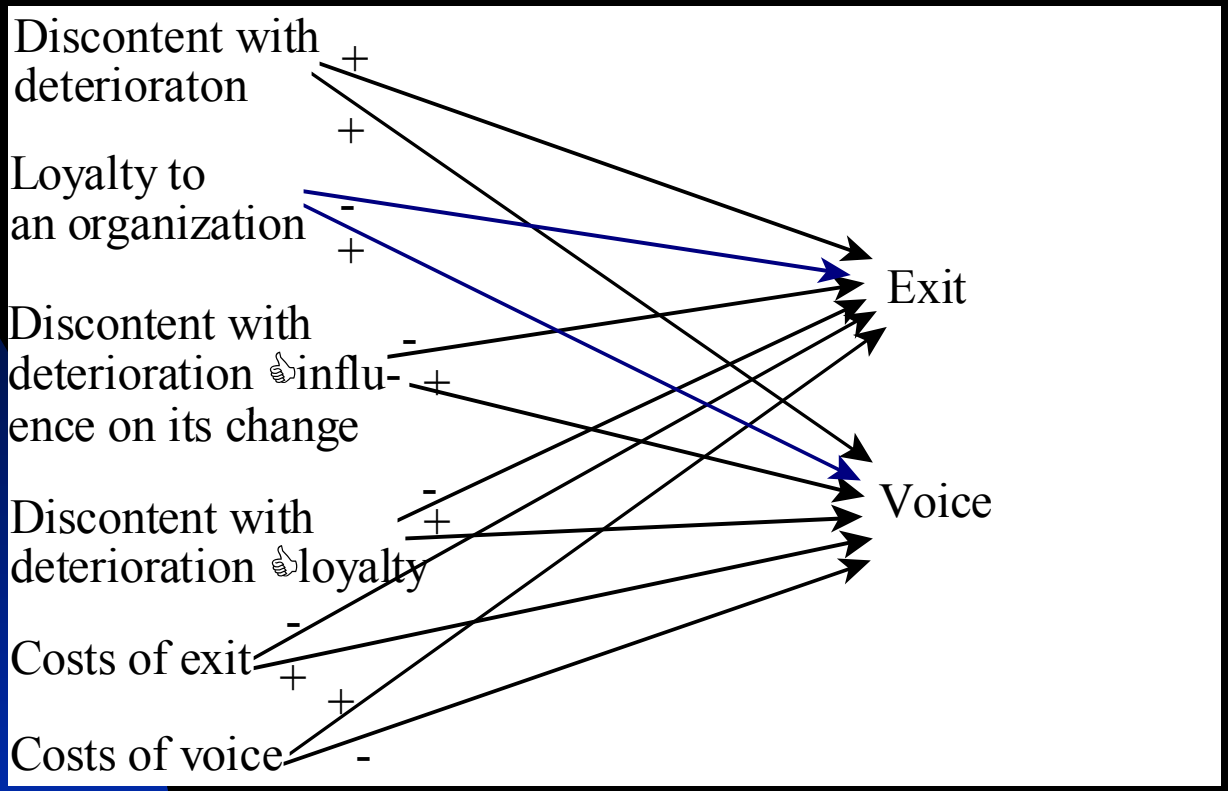
A Reconstruction of Hirschman‘s Theory



What is the structure of the theory?

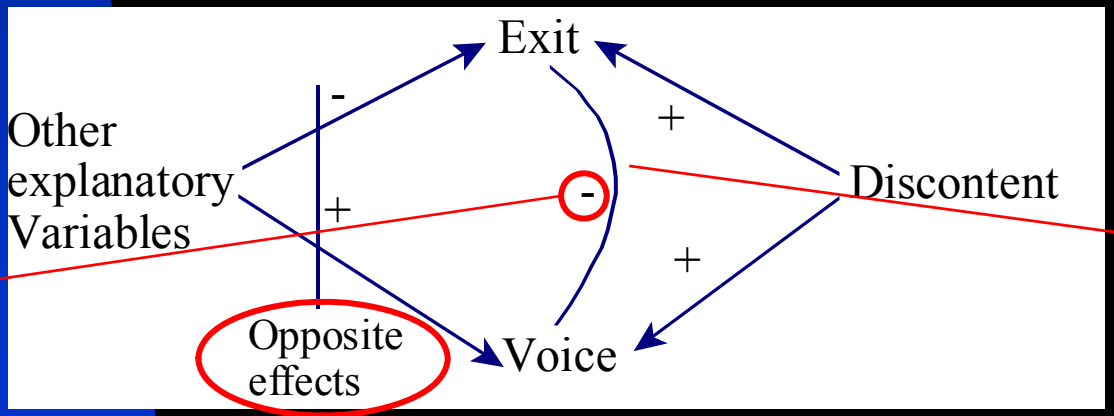
The structure of the theory: The seesaw hypothesis

This is the model again:



The structure of the model:

The seesaw hypothesis



No causal effect!

The Theory of Collective Action

Basic reference: Mancur Olson (1965)

Question: When do individuals jointly contribute to achieve their common goals (=public goods contribution)?

Variables:

- Public goods preferences and
- Influence (perceived)
- Selective incentives
  - Loyalty to the group that is in need of a public good = a selective incentive

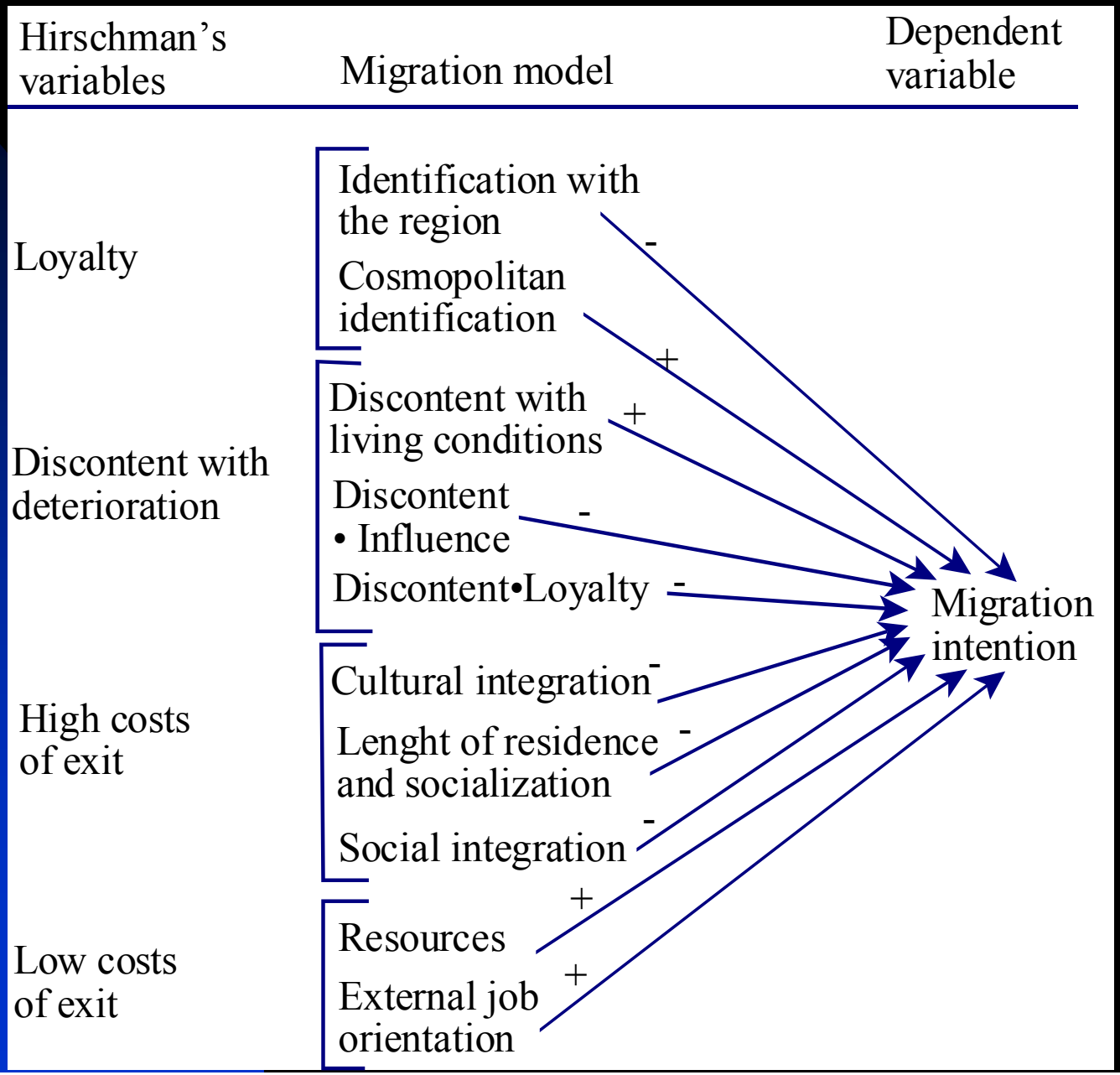
Application of the Models: Migration Intention and Protest

The empirical research used to test the model is about reactions to dissatisfaction with living conditions in a community (city or rural area). The possible reactions to be explained are:

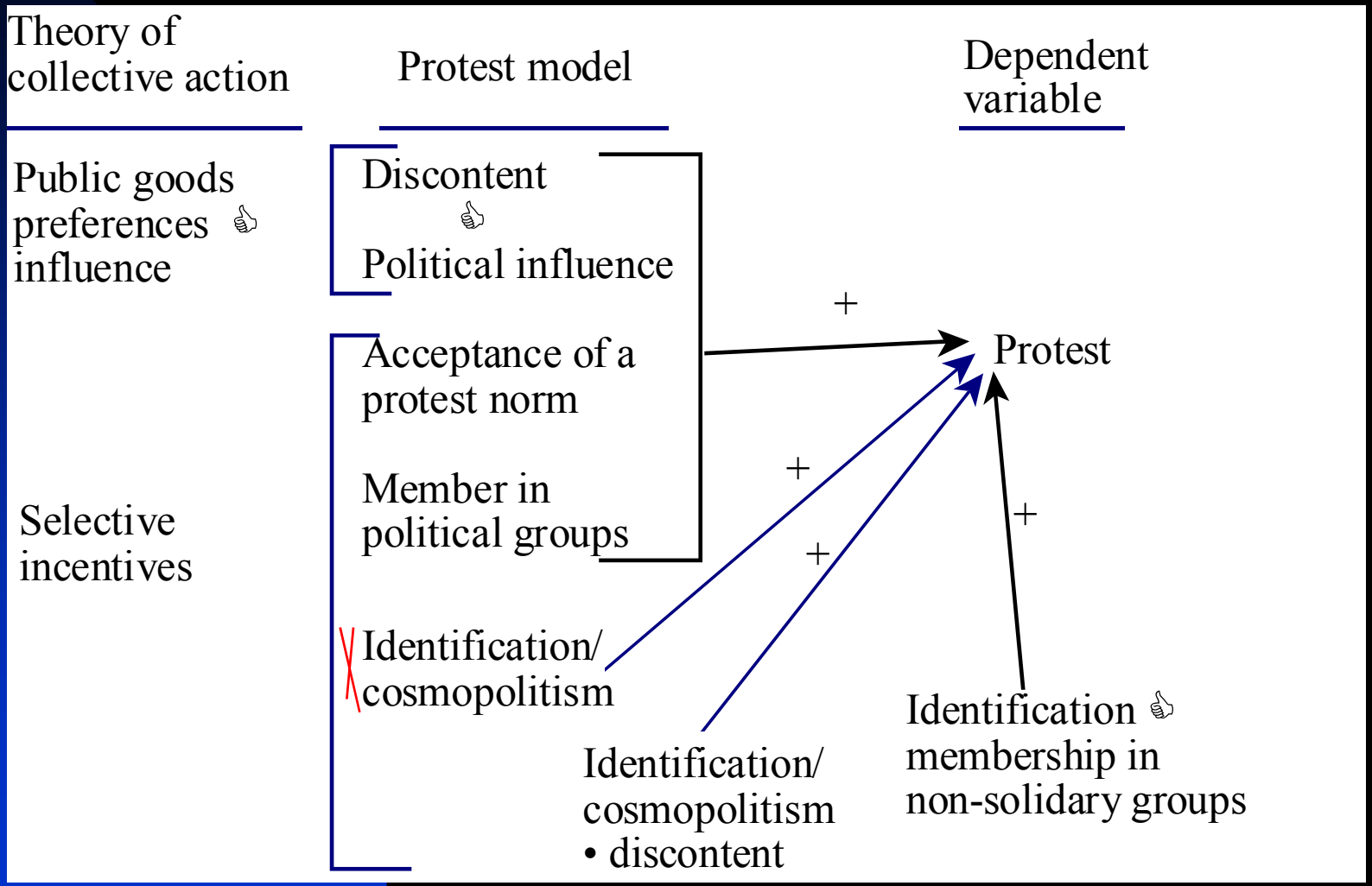
migration intention (→ migration) – reason …
protest (= form of collective action)

Consequence of application:
both models are to be reformulated to answer the specific research question.

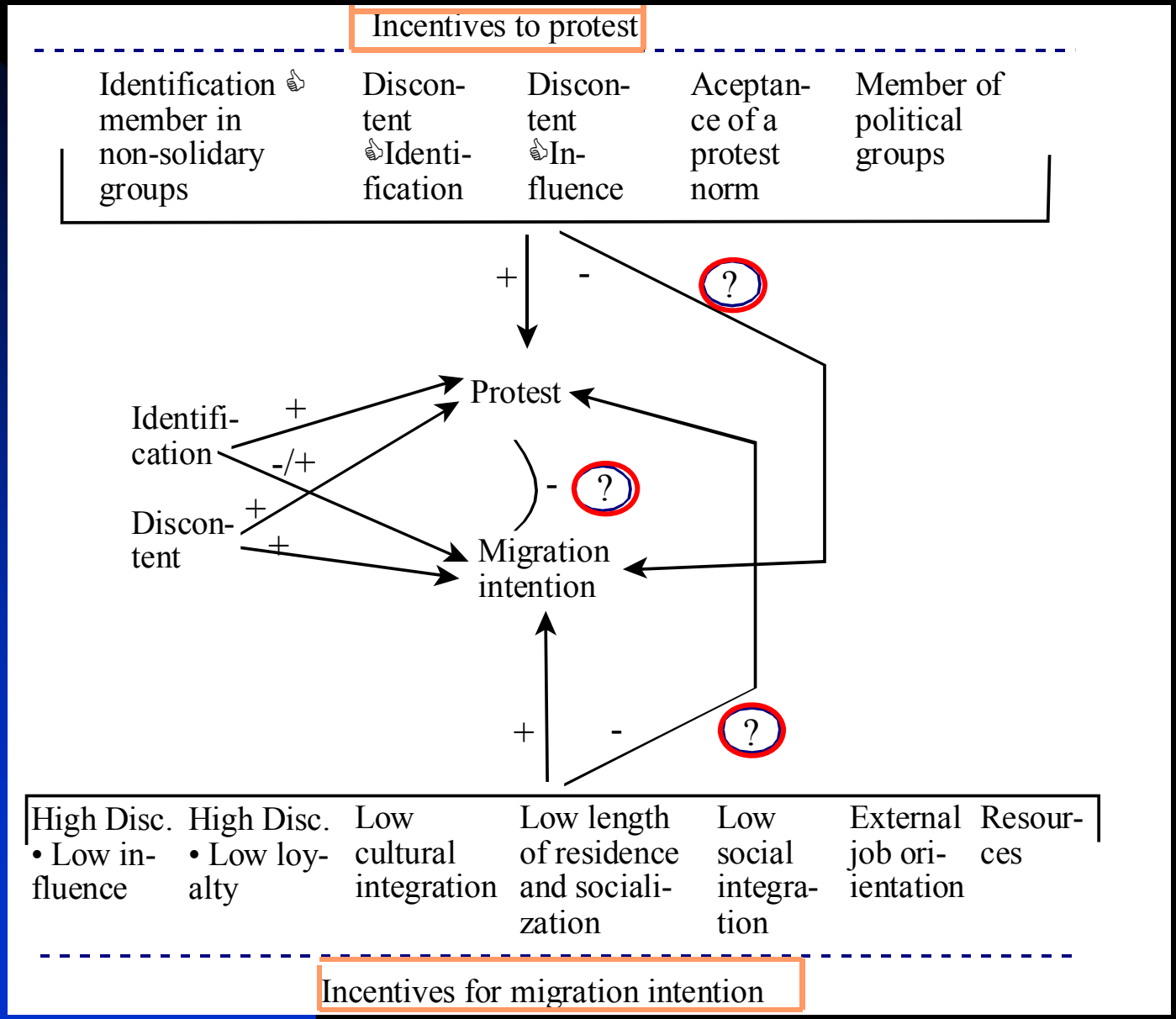
The Exit Model, Applied to Migration



The Collective Action Model, Applied to Protest

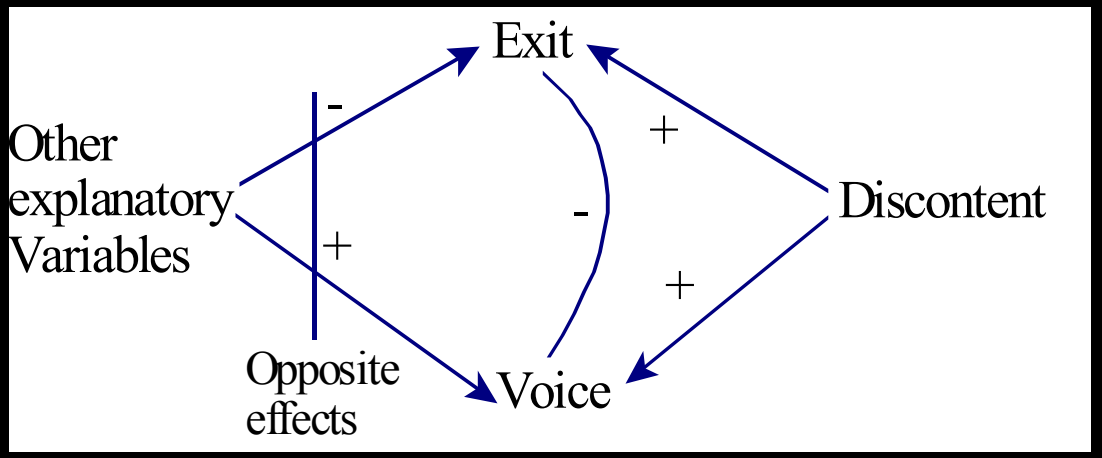


The Integrated Model

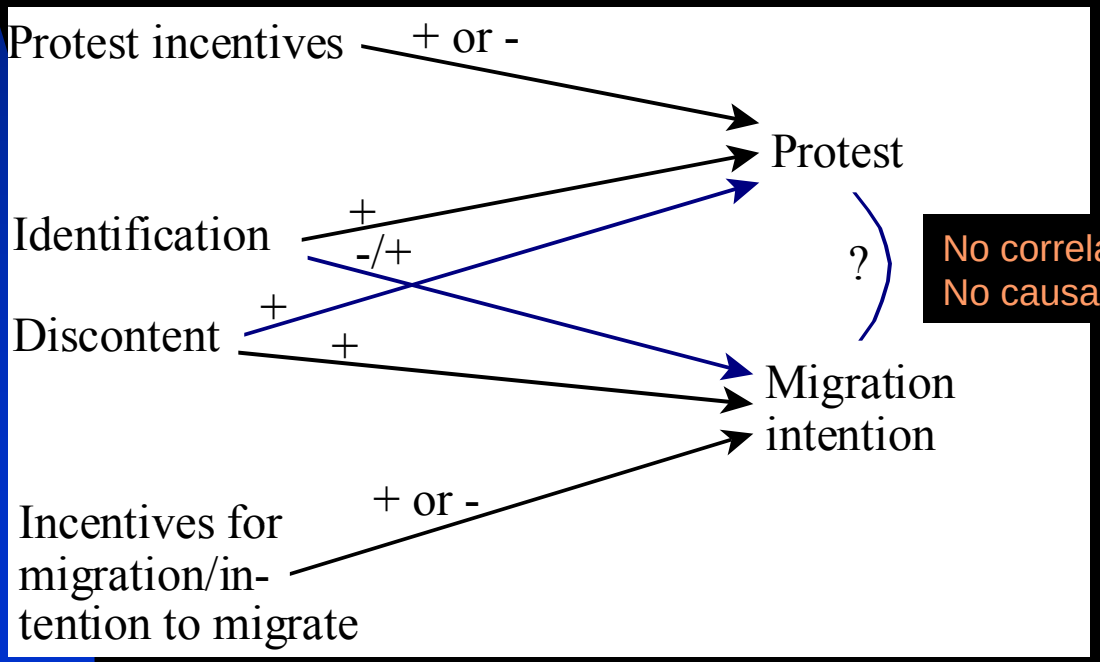


A Modification of the Seesaw Hypothesis

Original model (see before)



Modified model



No correlation/
No causal effect

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Predictions to be tested:

- Is there a correlation between exit intention and voice? PREDICTION: none or a weak one.
- Is there a causal effect between protest and intention to migrate? PREDICTION: no.
- Does the seesaw hypothesis hold? PREDICTION: no.
  - Incentives to protest should only affect protest;
  - Incentives to exit intention should only affect exit intention.
- Does Loyalty/identification (Hirschman‘s basic variable) affect exit intention and voice? PREDICTION: yes
- Does Discontent have a positive effect on exit intention and voice? PREDICTION: yes.
- Do the other variables have the expected effects? I.e., do the protest incentives affect protest and the migration incentives affect intention to migrate? PREDICTION: yes.

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Summary of the Argument

- The phenomena to be explained:
  - Theory of collective action: collective action, not exit
  - Hirschman: exit and voice (voice includes collective action)
- A reconstruction of Hirschman‘s theory
  - Basic feature: seesaw hypothesis
- The theory of collective action
- The exit and collective action model applied: problem specific formulation for
  - migration intention and
  - protest.
- An integrated model
- The seesaw proposition revisited: Modification of the integrated model:
- Predictions to be tested

Research Design

The hypotheses are tested with a three-wave panel survey (project with Prof. Kurt Mühler – supported by the DFG).
The surveys were conducted in LEIPZIG and a RURAL AREA (Mittlerer Erzgebirgskreis) in Saxony (border to Czech Republic).

Time of data collection:

Wave 1: May to July 2000
Wave 2: April to June 2002
Wave 3: May and June 2003.

The total number of respondents who have been interviewed three times is 1153.

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Leipzig
Sachsen
Czech Republic
Mittlerer Erzgebirgskreis

Statistical Analysis

- Dependent variables from wave 2 and wave 3.
- Independent variables from previous wave or from same wave.
- Structural equation modeling.

Measurement

For the discussion …

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Measurement of the Dependent Variables

Protest: Participation in and organization of (1) petitions and (2) demonstrations, (3) working in citizen initiatives, (4) wearing political buttons. Answer categories from "was for me out of the question," "have thought about it, but did not participate," "have done it once," "have done it several times," categories 1 to 4.

Migration intention: Respondents were asked whether they plan to move to another location during the next 12 months. Answer categories: by no means (code 1), perhaps (code 2), absolutely (code 3). Another possible answer was "have not yet thought about it" which received a missing value.

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Independent Variables for Migration Intention and Protest

Identification was measured for **regional groups** (such as residents of Leipzig or Germans). **Thus**, the effects of identification with these groups is explained. We use two indicators:

Feel as: How strong do you feel as a European, a German, a Saxon or a "Leipziger" or "Erzgebirger"?

Answers: very strong, strong, medium weak, very weak.

Proud of: How proud are you of being European, German, Saxon or resident of Leipzig/Erzgebirge?

Answers: very proud, proud, partly proud/partly not proud, less proud, not proud at all.

Recoding: high values = feel strongly as ... , be highly proud of being ..

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Three scales were constructed (based on factor analyses):

Regionalism (Identification with Leipzig/Erzgebirge, Saxony and East Germany)

Cosmopolitism: Identification with Germany and Europe (WILL BE USED)

Identification with Leipzig/Rural area (LR): addition of the feel-as and proud-of indicators for LR. (WILL BE USED)

Other scales consist most of the time of at least two indicators which were added and divided by the number of items.

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Discontent: *(1) Negative evaluation of Saxon culture:* Respondents were presented with various features of Saxony and asked to what extent they value them positively: five categories, from "very good" (code 1) to "very bad" (code 5). The items referred to Saxon history, culture, economy, scientific successes, language, traditions and customs, and successes in sports. An additive scale was constructed with these indicators. 1-5.
(2) Discontent with the living conditions in the region: If a respondent thinks that many living conditions (such as sports facilities in the region, cultural facilities, shopping possibilities) exist to a low extent but are very important to him or her, he or she is assigned a high degree of dissatisfaction (high scale values). 1-25. *(3) Discontent with the general situation in the region.* Interview question of how the respondents' assess the present life situation in the region. Answer categories from very dissatisfied (1) to very satisfied (5). 1-5.

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(4) Discontent with the housing situation. Interview question of how satisfied respondents are with their present housing situation. Answer categories from very satisfied (1) to very dissatisfied (5). 1-5.

(5) Dissatisfaction in the sense of perceived importance of local living conditions. Perceived importance of 16 living conditions such as possibilities for shopping or doing sports, culture in the region, health system, public transport, senior homes and clean air. Answer categories from completely unimportant (1) to very important (5). 1-5. (Assumption: high importance means a high aspiration level in regard to living conditions and, thus, high discontent.)

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Independent Variables for Migration Intention

Cultural integration. *(1) Self-categorization as a Saxon* (positive properties of a Saxon/typical Saxon). Extent to which the respondent think they have typical features of a Saxon (sensitive to tradition, placid, compliant) and classify themselves as a typical Saxon. 1-5. *(2) Command of the Saxon language*: respondent speaks Saxon: no (0)/ yes (1); 0-1. *(3) Willingness to buy regional commodities*: extent to which respondents pay attention whether the place of manufacture of commodities is Saxony or East Germany and whether the respondent thinks one should principally buy products from Saxony or East Germany. 1-5. *(4) Facing Saxon-specific expectations:* Extent to which important others expect the respondent to engage in behavior specific for the region – such as buying Saxon products or working in regional associations.1-5. *(5) Perceived discrimination by West Germans:* Agreement to the statements (1) one can never achieve the same as West Germans; (2) one is treated badly by West Germans. Answer categories from 1 (fully agree) to 5 (fully disagree). 1-5.

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Length of residence and socialization: *(1) Length of time the respondent lives in the present locality, in years*. 0-90. *(2) Born and grown up in Saxony:* average of two variables: borne in Saxony: no (0) / yes (1); respondent has lived most of the time until his or her 15th year of age in Saxony: no (0) / yes (1) *(3) Frequency of moves during the past 10 years*. 0-11. *(4) Ownership of house or apartment the respondent lives in:* no (0) / yes (1).

External job orientation: respondents have read job offers during the past four weeks for a position outside Saxony (0=no, 1=yes). 0-1.
Resources and control factors: monthly household net-income (497-12000); education (kind of educational institutions attended). 1-6.

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Integration in social networks: *(1) Family lives at the respondent's place of residence:* Most family members and relatives who are important to the respondents live outside Saxony (1), not where the respondent lives, but in Saxony (2), where the respondent lives (3). *(2) Friends live at the respondent's place of residence:* live outside Saxony (1), not where the respondent lives, but in Saxony (2), where the respondent lives (3); 0-3. *(3) Good relationships to neighbors:* Number of neighbors who one would entrust the key for the apartment or house or who one has invited more than twice. Answer categories from none (1) to all (5). An additive scale was constructed from both indicators. 1-5. *(4): Good relationships to colleagues at the work place:* number of colleagues with whom the respondent has good relationships: none (1) to "with all" (5). The answer "do not have colleagues at the workplace" is coded with 1 and is thus identical with "do not have any relationships" (N=1652). 1-5. *(5) No. of memberships in groups:* 0-10.

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Independent Variables for Protest

Perceived political influence: Items: (1) Politicians do not care much what people like me think; (2) There is no other way except voting to influence what the government does; (3) People like me do not have any influence on what the government does; (4) All politics is so complicated that somebody like me does not understand at all what happens. Five answer categories, from "fully agree" to "fully disagree." 1-5

Protest norm: Extent to which respondents believe that important others such as family, friends, neighbors and colleagues at work expect them to be politically active such as participating in demonstrations or signing petitions in the region. Five answer categories from "to a low extent or not at all" to "a very high extent" (1 to 5) to. High values refer to strong expectations to get involved in political action. 1-5

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Membership in political groups: Number of memberships in groups (such as unions, parties, protest groups) that encourage protest participation. 0-5 in wave 1, 0 to 4 in wave 2, 0 to 3 in wave 3
Living in the rural area (LR for "Leipzig" and "rural area"): City of Leipzig (0), Mittlerer Erzgebirgskreis (i.e. the rural area) (1). 0 and 1 / M: .57 / SD: .49 (i.e. respondents interviewed in each wave lived in the same area all the time).

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Statistical Analysis

The hypotheses are a complex structural equation model that I estimated with LISREL.

(I present the findings step by step.)

Procedure in the data analysis:

- Dependent variables: wave 2, wave 3.
- Independent variables
  - Try first: are there effects from variables of previous wave (lagged independent variables)
  - If not: try whether there are simultaneous effects (take variable from same wave as dependent variable)
  - Always include lagged dependent variable.

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Table 3: The Procedure of Testing the Propositions

Independent Variables	**Migration intention** as dependent variable			**Protest** as dependent variable		
1	2	3	4	5	6	7
Action-specific incentives						
Incentives for migration intention	X		X		X	X
Incentives for protest		X	X	X		X
General incentives						
Identification	X	X	X	X	X	X
Discontent	X	X	X	X	X	X
Protest	X	X	X	(lagged dependent variable)		
Migration intention	(lagged dependent variable)			X	X	X

Note: X means that the model with the resprective incentives is estimated. Separate models are tested for protest and migration intention as dependent variables. Each dependent variable is taken from wave 2 and wave 3, the independent variables are first taken from the previous wave. See the text.

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Table 4: Distribution of "Intention to Migrate": "Do you plan to move from the location you live now during the next 12 months?"

Possible answer categories	Wave 1 (2000)		Wave 2 (2002)		Wave 3 (2003)	
By no means	1039	90.3%	1064	92.4%	1032	89.7%
Perhaps	67	5.8%	47	4.1%	71	6.2%
Absoluteley	8	0.7%	18	1.6%	18	1.6%
Have not yet thought about it	36	3.1%	22	1.9%	29	2.5%
No. of cases	1153	100%	1153	100%	1153	100%
(Missing values)	(3)		(2)		(3)	

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Table 5: Correlations Between Intention to Migrate and Protest, Waves 1 to 3

Protest	Intention to Migrate		
	Wave 1 (2000)	Wave 2 (2002)	Wave 3 (2003)
Wave 1 (2000)	-0.009	.10**	0.04
Wave 2 (2002)	0.04	.07*	.06*
Wave 3 (2003)	-0.01	.06*	0.02

* Significant at the .05 level, ** significant at the .01 level, one-tailed tests. N=1153.

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Table 6: Migration Intention and Protest as Dependent Variables of **Wave 2** (standardized Coefficients)

Kinds of Incentives	Dependent Variable: **Migration Intention**			Dependent Variable: **Protest**		
1	2	3	4	5	6	7
Incentives for migration intention						
Willingness to buy regional products W1	-.09**		-.10**			
Good relations to colleagues W1					.07**	
Discontent housing situation W2	.17**		.16**			
External job orientation W2	.15**		.13**			
Not married W1	.19**		.20**			
Migration intention W1	.15**	.17**	.15**			
Incentives to protest						
Living in LR		.08**	.05*	-.07*		-.07**
Living in LR ✍cosmopolitism W2		-.10**		-.12**		-.12**
Protest norm W1				.07*		.07*
Protest norm W2		-.05*		.23**		.22**
Member in political groups W2				.12**		.11**
Protest wave 1	.07**	.09*	.09**	.14**	.22**	.14**
Joint incentives						
Identification LR W2		-.11**		.05*	.10**	.05*
Discontent living conditions W2		.06**		.17**	.26**	.17**
Influence W2				.06*	.13**	.06*
Discontent ✍influence W2	.06*		.05*	.05*		.05*
R^2	.18**	.06**	.18**	.30**	.21**	.30**
RMSEA	0.03	0	0.04	0.037	0.05	0.04
Chisquare / df	30.52 /14	2.90/ 6	43.26/ 16	33.55/13	27.88 /8	34.32 /14
p (significance)	0	0.82	0	0.001	0	0

* Significant at the .05 level, one-tailed tests (1.65 ≤ t ≤ 2.35); ** significant at the .01 level, one-tailed tests (t ≥ 2.35). RMSEA=Root Mean Square Error of Approximation. df = degrees of freedom.
Note: Two models were estimated: one with migration intention of wave 2 and 3 as dependent variables, the second with protest of wave 2 and 3 as dependent variables.

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Table 7: Migration Intention and Protest as Dependent Variables of **Wave 3** (standardized Coefficients)

Kinds of Incentives	Dependant Variabel: **Migration Intention**			Dependent Variables: **Protest**		
1	2	3	4	5	6	7
Incentives for migration intention						
Self-categorization as Saxon W3	-.09**		-.09**		-.10**	-.06*
Membership in groups W3	.07*		.08**		.07**	
Length of residence W2	-.06**		-.07**			
Born/grown up in Saxony W2	.08**		.09**			
Disconent with housing situation W3	.09**		.08**		.05*	
External job orientation W3	.10**		.10**			
Perceived discrimination by West Germans W2	.09**		.09**			
Not married W1	.14**		.06*			
Migration intention W1				-.05*	-.06*	-.06*
Migration intention W2	.41**	1.14**	.59**			
Incentives for protest						
Residential area LR ◊ Cosmopolitism W2						
Residential area LR				-.15**		-.14**
Protestnorm W3				.20**		.19**
Mitglied in politischen Gruppen W3		.05*		.06*		.06*
Protest W1		-.10*	-.06*			
Protest W2				.44**	.78**	.43**
Joint incentives						
Identification LR W2	-.14**	-.08*	-.14**			
Cosmopolitism W3	.05*		.06*			
Discontent living conditions W3		.08**		.14**		.14**
Discontent living conditions ◊ Incluence				.08**		.08**
R^2	.17**	-.63**	.07**	.30**	.11**	.30**
RMSEA	0.032	0	0.04	0.037	0.05	0.036
Chi-Quadrat / df	30.52/ 14	2.90/ 6	43.26/ 16	33.55/1 3	27.88/ 8	34.32/1 4
p (significance)	0.007	0.82	0	0	0	0

* Significant at the .05 level, one-tailed tests (1.65 ≤ t <2.35); ** significant at the .01 level, one-tailed tests (t ≥2.35). RMSEA=Root Root Mean Square Error of Approximation. df= degrees of freedom. **Note:** Two models were estimated: one with migration intention of wave 2 and 3 as dependent variables, the second with protest of wave 2 and 3 as dependent variables.

Summary of the Results

- **PEDICTION:** There is no negative correlation between exit intention and voice. CORRECT. (The correlation between exit intention and protest in the three waves are between -,009 und .10.)
- **PREDICTION:** There is no causal relationship between protest and intention to migrate. PARTLY CORRECT. There are three small effects (highest Beta is .09). Possible in surveys due to omitted variables. There are no simultaneous causal effects.
- **PREDICTION**: Protest incentives affect only protest and migration incentives only affect migration intention. CORRECT.

  THUS: Most incentives are action-specific.

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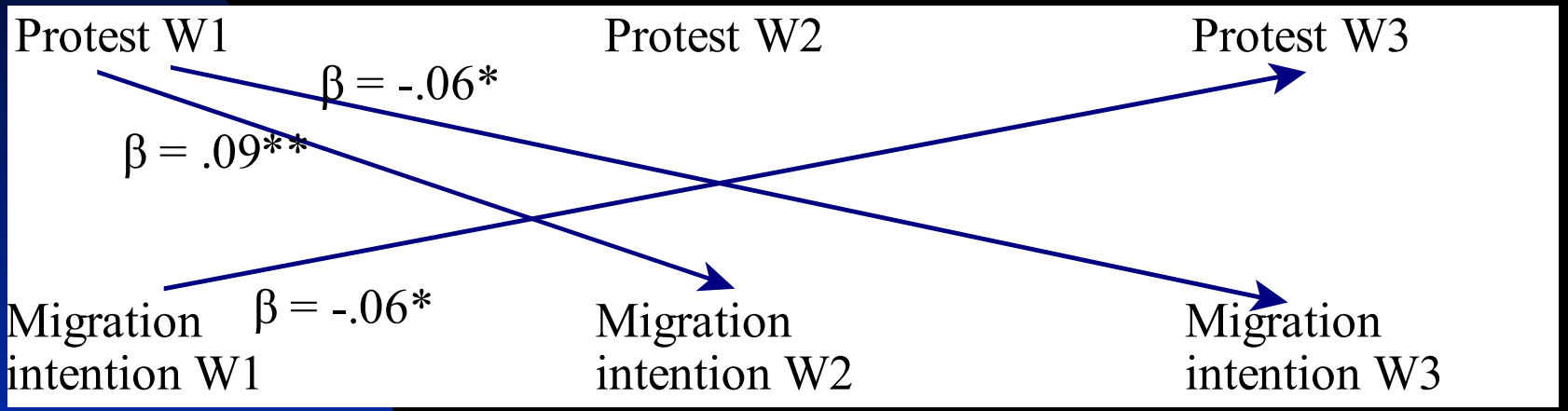
The causal relationships between protest and migration incentives



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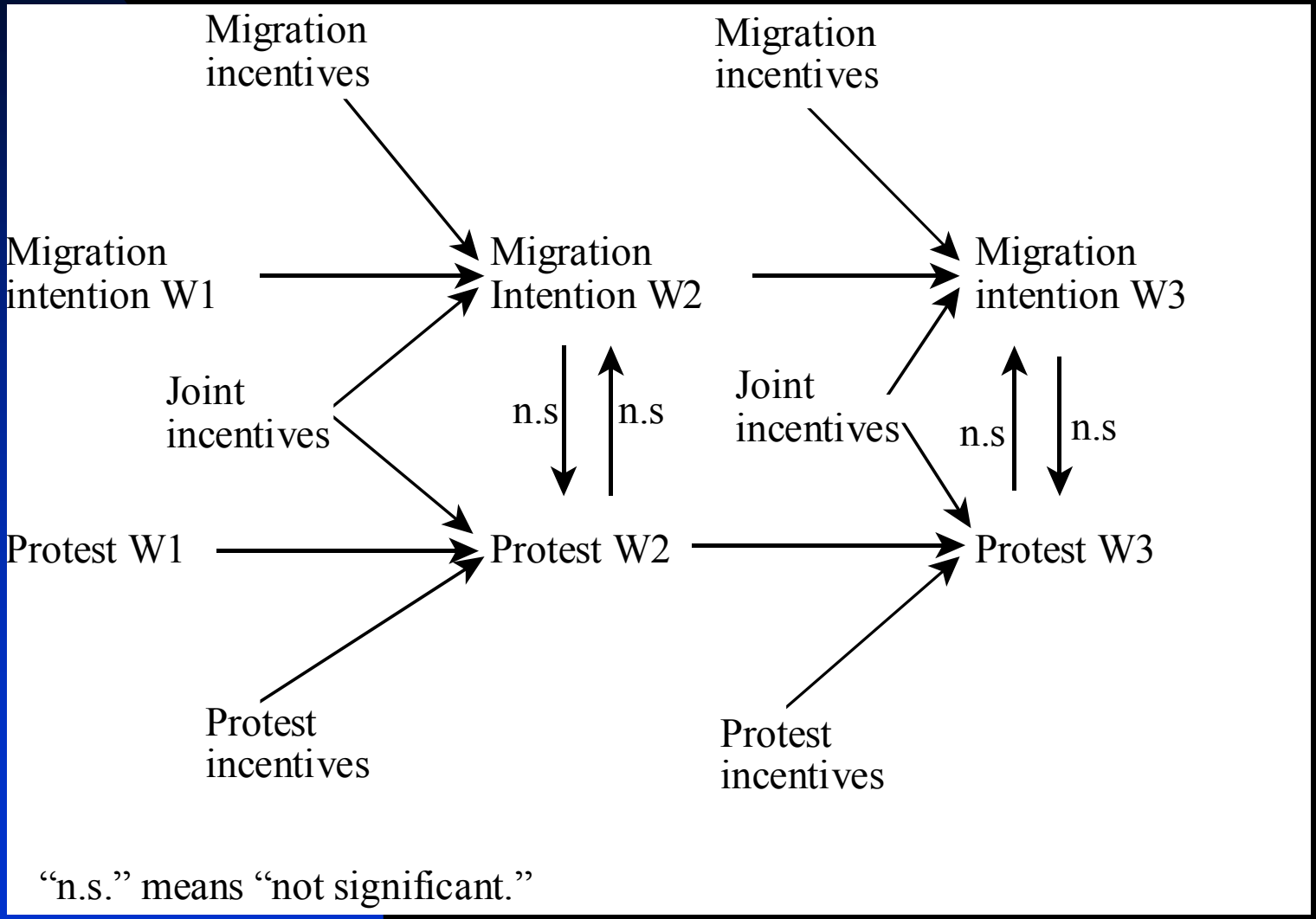
Testing simultaneous causal relationships betweeen protest and migration incentives



"n.s." means "not significant."

- **PREDICTION:** Identification has opposite and strong effects on migration intention and protest. PARTLY CORRECT: Only identification of W2 has a positive effect on protest of W2 and a negative effect on migration intention of W3 (= 2 of 4 expected effects). VERY SMALL EFFECTS!
- **PREDICTION:** Cosmopolitism has strong positive effects on migration intention and protest. PARTLY CORRECT: Only cosmopolitism of W3 has a positive effect on migration intention of W3 (= 1 of 4 expected effects). VERY SMALL EFFECTS!

THUS: There are negligible effects of LOYALTY (identification/cosmopolitism) on migration intention / protest – not consistent with Hirschman!

- **PREDICTION:** Discontent has a positive effect on exit intention *and* voice. PARTLY CORRECT: Discontent with the general living conditions has a positive effect ONLY on protest; Discontent with the housing situation has positive effect ONLY on migration intention.

THUS: Discontent has either effects on exit or on voice, but not on both.

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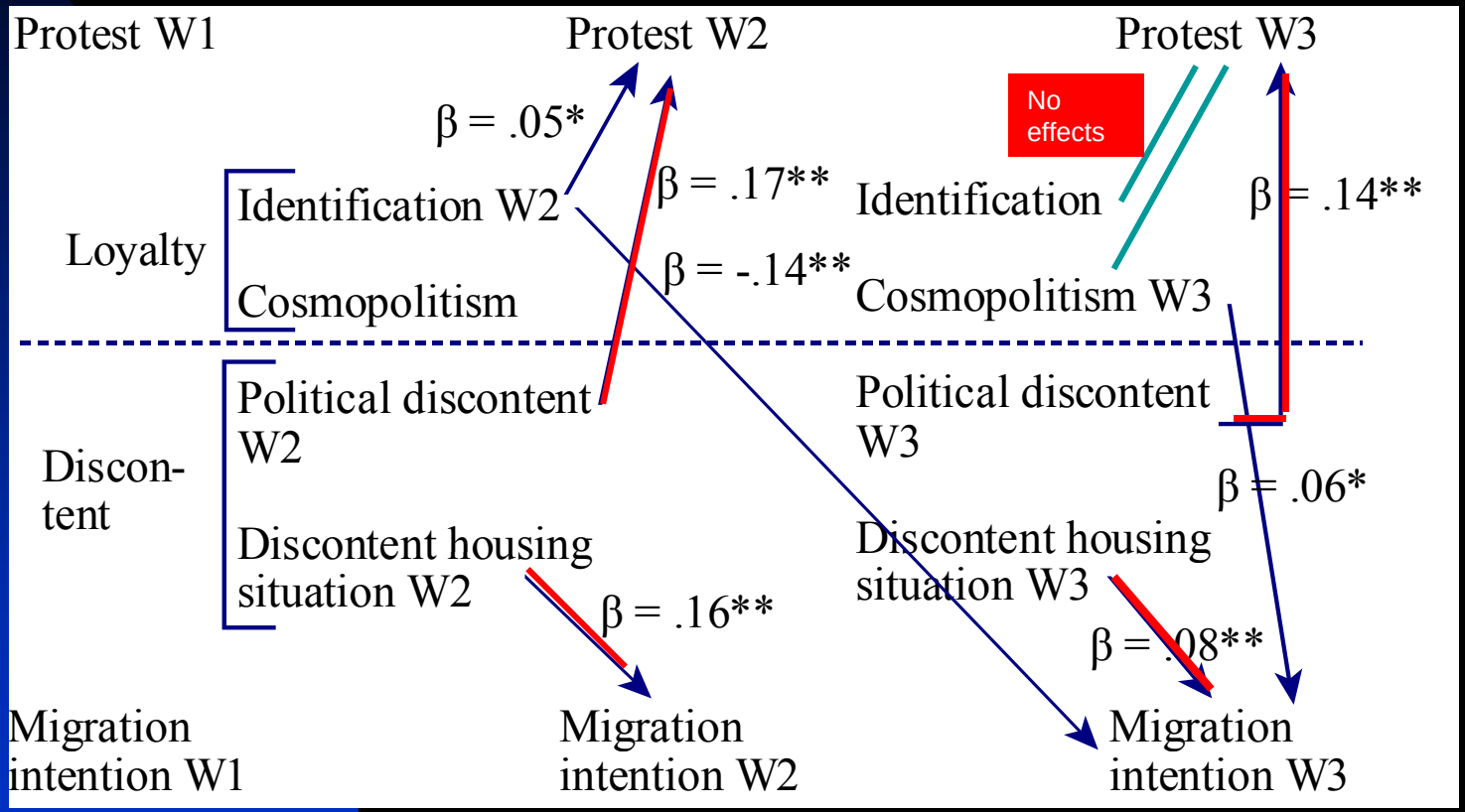
Effects of identification, cosmopolitism and discontent on protest and intention to migrate



Questions and Problems

- When is a seesaw hypothesis for exit and voice plausible? E.g., perception as behavioral alternatives? Costs/benefits are similar?
- Incentives are typically action-specific – also for other types of action?
- Does loyalty/identification have always a low effect on exit and voice? Loyalty is only one among many variables – and an attitude! Thus: effects are always weak??
- Alternative reconstruction of Hirschman‘s theory: The seesaw hypothesis could be a macro proposition. E.g., exit of group A changes incentives for voice for group B (GDR: emigration triggers internal protests). BUT: Hirschman also addresses exit-voice connection on the individual level (see example of the effects of quality deterioration of a firm).

- Future research:
  - More detailed measurement of exit/exit intention and voice/voice intention.
  - Exploration of the propositions in different types of situations: membership in organizations (union, political parties, voluntary associations), becoming/remaining customer of a firm, choice of workplaces …
  - AND MORE COMPARATIVE THEORY TESTING!

Thank you for your attention!