

# “Exit, Voice and Loyalty”

By Secretary Robert Reich

The errant economist, really sociologist and historian, Albert Hirschman wrote a wonderful book years ago called, *Exit, Voice and Loyalty*. I don't know how many of you have come across the book but I would recommend that book and I'm going to refer to it now in a peculiar way because Hirschman did not use his construct, which I'm going to discuss with you in a minute, in the way that I'm going to use it but I think it fits.

In *Exit, Voice & Loyalty*, Albert Hirschman posited that when people confront a problematic situation; something that really does pose some difficulty, they choose one of three responses. One is exit; they just leave. They try something else, they go someplace else. The second is voice. They give voice to the problem – they complain, they organize, they mobilize, they energize, they bring to bear their political voice – if it is a political situation – or at least a personal voice – if it's a personal situation – they don't exit, they *articulate* the problem and try to have it changed because they articulate it. And the third he calls loyalty and by loyalty, in this particular book, he means basically somebody who's willing to, just out of sheer a sense of commitment, not do anything that resembles exiting or vocalizing and trying to change; they just accepted it.

Now, I am going to change that third piece of Albert Hirschman's taxonomy little bit to say, not so much loyalty but, really resignation and hopelessness; because resignation and hopelessness, to me, describe more than loyalty does; why people don't take action either exiting or trying to change a situation that's a problematic situation. Let me bring this home to you; there are problematic situations in everybody's life. Sometimes, you know somebody who has a drinking problem or drug problem or bulimia or something else and you can presumably, if the person is a friend, you might just exit; you might just exit from the situation. You might just say, forget it, I'm leaving, I'm just leaving you. Maybe it's a relationship and you might say, forget it, I'm just leaving; I don't like this relationship, I'm leaving – exit, divorce. If you don't like your community you exit. If you don't like your job you leave. If you don't like it or there's another opportunity that's better, you exit. Exit, exit we are doing it all the time; we are not just doing it as consumers. As consumers we do it every minute. In fact, our entire capitalist system is dependent on exit. If there weren't easy exits and choices we wouldn't have capitalism. But in our social lives we also are exiting constantly from problematic situations OR, which is much the same, another opportunity that is better; a more attractive mate, a more attractive relationship, a more attractive job, a more attractive community.

But sometimes we choose the second route – a not the exit route – we choose the voice route. If we see a problematic situation, if somebody does have a drug problem or another problem or if we have a relationship that's gone a little bit askew and is off-track or there's a homeless person or there's something in our community we don't like or our job is a problem or a room is too crowded we don't exit we actually try to do something about it; we give voice to the problem. And we try to change it through our voice and through our figurative voice, which is our way of organizing people around us to help us change the situation.

And then sometimes, using Albert Hirschman's taxonomy, sometimes we are just brimming with hopelessness. We don't think anything is possible. We just say, it's the way the world is, I can't do anything. I'm not going to exit, I'm not going to give voice, I'm not to try to change it. My friend's drinking condition, my bad relationship, my community that's falling apart, my bad, lousy job – whatever it is, I'm just going to accept it because I'm resigned to it. I am not of the view that anything can change; that's the way life is.

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Now, let me posit with you that there is a very close relationship between the social contract of any organization or society and how they view, in Albert Hirschman's terms, these problematic situations or opportunities. The United States, arguably, is a society that is premised to a much greater extent than most other societies on which of the three? Exit. We are a society of exiters. Most of us or our grandparents or great-grandparents or our parents; most of us – not all of us by any means – but most of us have ancestors who exited from someplace else to get here. Most of us have deeply ingrained in our hardwiring the notion that opportunity beckons if you just give up your past, give up your roots, give up whatever it is and exit. Exit is not bad, exit is opportunity. Exit is GOOD in America. It's not a failure. Exit is taking advantage of what is possible. Exit is striking out on your own. Exit is upward mobility. Exit is dynamism. Exit is change. Exit is fun. We are a society that values, that indulges, that LOVES to exit.

And we use it in our political system as well. I mean we are exiting like mad. You don't want to be in a community that requires you to pay a lot of taxes or has people around you don't particularly like. What do you do? Do you try to change the community? No, you exit. You go someplace else. Sometimes people leave the country entirely. A lot of my very good friends left during the Vietnam War, went to Canada. Still there, they're happy. I don't understand why many people are still living in the northeast of United States when it is possible – I did it, I'm a living example – I exited this winter and came to Berkeley. And I am so happy I did. I didn't rail at the weather or buy more weatherproofing and I've got to get defrost; I'm miserable but I'm going to bear it. No, I exited! America is the capital of exit. We know how to exit. But we don't, arguably that is, know very much about how to give voice to our concerns and we certainly are not necessarily a nation that is resigned to what we are or to whom we are.

The ease of exit, the ease of exit, the fact that we are exiters does create, arguably, a kind of an ethos in which we assume that personal responsibility is the essence of who we are. If somebody can't make in society it's their fault. They could exit, they could climb the mountain, they could seek upward mobility. They are not rooted, they are not tied down, they are not, as in Europe – the European assumption remember; all of these assumptions are from societies that are much more rigidly tied; in which people are rooted. There are futile remnants; there is assumption that you are assigned a position in your society. The poor are trapped in poverty. Well, yes, if you are in a culture in which people for 1,000 years or 2,000 years have felt trapped in their own position that they inherited, you were going to say, yes they are trapped in poverty. If you're an exit society, you're going to say, nobody's trapped. The whole idea of being trapped is a non-exit idea. Luck determines income. Well, it's not luck, it's personal dynamism and toughness. The poor are lazy? Of course they're lazy; they wouldn't be poor if they weren't lazy. Exit. But Europeans are a society of either resignation – that is, take what is, nothing can change, or voice. Anybody been in Europe during the strike? Talk about voice! Everything stops. I was in London this past weekend and there was a mail strike. This had been going on for a while and were no letters and there were no – nothing. Have you been in France when there is a general strike? You might as well just sit in your house. But in America – well, we don't – I mean, the organized labor is down to 8 1/2% of the private sector workforce in the United States. I mean there's no opportunity for workers to voice their antagonism, their upset. They have no negotiation ability at all. You know, if you don't like your job situation, what do you do?

So the social contract, arguably – this would be the argument – the social contract in United States premised culturally and historically on exit puts enormous responsibility on the individual and shapes our understanding of what we owe one another, which is not nothing – we owe each other something – but we don't owe each other a huge amount. *See footer for entire presentation...*