FIGURE 3.7 Solving the Exit, Voice, and Loyalty Game When the Citizen Has a Credible Exit Threat ($E > 0$) and the Government Is Autonomous ($L < 1$)

Scenario 3

Citizen

Exit — $E, 1$

Loyalty — $0, 1 + L$

Voice

Government

Respond — $1 - c, L$

Ignore

Citizen

Exit — $E - c, 1$

Loyalty — $0 - c, 1 + L$