

Web Appendix Table 1. Recent Loan Uses Reported by Borrowing Households in "Expanding Access", by Karlan and Zinman

	All loans since application	Microlender loans since application	Other formal loans since application	Informal loans since application
Pay other debts	28.30%	31.70%	27.70%	15.20%
Transportation	19.40%	12.70%	9.20%	24.20%
Events	16.90%	15.50%	17.70%	21.20%
School/university	13.70%	15.50%	12.30%	9.10%
Improve/build house	11.50%	6.30%	18.50%	6.10%
Buy/improve food	9.90%	23.20%	6.90%	0.00%
Bills	7.30%	7.00%	8.50%	6.10%
Durable goods	6.70%	4.20%	10.80%	0.00%
Health care	5.10%	5.60%	3.80%	24.20%
Other personal uses	4.50%	3.50%	6.90%	6.10%
Buy clothes	3.50%	4.90%	3.10%	0.00%
Business uses	3.20%	2.80%	4.60%	0.00%
Total	129.90%	133.10%	130.00%	112.10%
Number of observations (i.e. number of loans)	314	142	130	33

The columns sum to more than 100% because respondents could state more than one use of the loan proceeds. The number of observations for all loans (314) is not equal to the sum of the number of observations of the sub-samples due to 9 missing values in the variable "loan source." "Transportation" includes buying/repairing a car, and public transport. "Events" include cultural and religious ceremonies (Christmas, funeral, young men initiation, etc.), and holidays and parties. "Other personal uses" include helping families and friends, and miscellaneous expenses.

Web Appendix Table 2. Intention-to-Treat Estimates for Index Components in "Expanding Access", by Karlan and Zinman

	Mean	Full Sample		Gender		Income		Credit score	
		Unadjusted (Standard error in parentheses)	Familywise adjusted [Adjusted p-value in brackets]	Female	Male	High	Low	High	Low
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Consumption Index</b>									
Dummy=1 if household did not experience hunger in past 30 days	0.861	0.058** (0.027)	0.058* [0.083]	0.016 (0.039)	0.085** (0.038)	0.044 (0.034)	0.058 (0.044)	0.006 (0.039)	0.094** (0.038)
Dummy=1 if quality of food improved over the last 12 months	0.263	0.037 (0.037)	0.037 [0.334]	-0.041 (0.051)	0.108** (0.054)	0.073 (0.054)	0.015 (0.051)	-0.006 (0.053)	0.078 (0.052)
Number of observations	620-626	620-626	620	306-311	314-315	310-314	310-312	280-283	340-343
<b>Economic self-sufficiency Index</b>									
Dummy=1 if the borrower is employed	0.804	0.108*** (0.032)	0.088** [0.021]	0.107** (0.047)	0.095** (0.045)	0.108*** (0.036)	0.086 (0.056)	0.090* (0.049)	0.103** (0.044)
Percentile of household employment earnings since application	45.296	5.008* (2.609)	5.570* [0.062]	3.264 (3.555)	5.666 (3.953)	4.472 (3.516)	3.716 (3.330)	4.543 (3.962)	4.934 (3.503)
Dummy=1 if the household is above the poverty line	0.606	0.074* (0.040)	0.082* [0.062]	0.093 (0.057)	0.049 (0.058)	0.063 (0.049)	0.061 (0.062)	0.056 (0.060)	0.075 (0.056)
Number of observations (range)	587-620	587-620	563	293-307	294-314	298-310	289-310	270-279	317-341
<b>Investment/durables Index</b>									
Dummy=1 if anybody in household is a university student	0.153	-0.011 (0.037)	-0.011 [0.931]	0.008 (0.052)	-0.044 (0.050)	0.002 (0.058)	-0.035 (0.046)	0.035 (0.059)	-0.060 (0.048)
Dummy=1 if household bought or improved dwelling since application	0.316	0.040 (0.039)	0.008 [0.931]	0.050 (0.055)	0.018 (0.057)	0.087 (0.055)	0.001 (0.056)	0.059 (0.056)	0.037 (0.055)
Dummy=1 if anybody in the household is self-employed	0.167	0.022 (0.033)	0.033 [0.794]	-0.015 (0.043)	0.051 (0.049)	-0.057 (0.045)	0.090* (0.050)	-0.008 (0.048)	0.046 (0.047)
Number of observations (range)	391-626	391-626	389	208-311	183-315	189-314	202-312	175-283	216-343
<b>Control and outlook Index</b>									
Decision-making scale	13.719	0.865 (0.695)	1.145 [0.264]	1.158 (1.057)	1.355* (0.808)	0.348 (0.836)	1.246 (1.486)	1.135 (1.053)	0.271 (0.939)
Optimism scale	21.969	0.362 (0.339)	0.577 [0.519]	0.176 (0.466)	0.566 (0.502)	0.102 (0.485)	0.654 (0.493)	0.030 (0.481)	0.704 (0.502)
Position on community socio-economic ladder	4.403	0.065 (0.182)	0.237 [0.519]	-0.061 (0.265)	0.096 (0.264)	-0.225 (0.272)	0.299 (0.219)	-0.103 (0.286)	0.165 (0.239)
Number of observations (range)	178-551	178-551	176	83-285	95-266	116-269	62-282	97-254	81-297
<b>Physical health Index</b>									
Dummy=1 if general health of the borrower is "very good"	0.526	0.047 (0.042)	0.045 [0.475]	0.056 (0.059)	0.023 (0.062)	0.046 (0.057)	0.023 (0.063)	-0.005 (0.062)	0.084 (0.058)
Dummy=1 if no household member was sick in previous 30 days	0.517	-0.026 (0.042)	-0.031 [0.484]	-0.037 (0.059)	-0.000 (0.061)	-0.018 (0.058)	-0.025 (0.061)	0.085 (0.061)	-0.102* (0.058)
Number of observations (range)	610-625	610-625	609	308-311	302-314	307-313	303-312	277-283	333-342
<b>Mental health Index</b>									
Lack of depression scale	-18.828	0.264 (1.571)	-0.011 [0.992]	-1.249 (2.140)	2.749 (2.429)	0.161 (2.259)	0.056 (2.430)	0.639 (2.663)	-0.197 (2.116)
Lack of stress scale	-18.580	-1.414 (0.882)	-1.767 [0.098]	-1.245 (1.186)	-1.452 (1.313)	-2.178 (1.383)	-0.632 (1.187)	-0.703 (1.399)	-1.926 (1.222)
Number of observations (range)	244-250	244-250	237	127-133	117	120-122	124-128	112-117	132-133

\* significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%. Huber-White standard errors in parentheses except in Column 2, which reports p-values corrected for inference on multiple outcomes within domains using the familywise adjustment detailed in Kling et al (2007). All results obtained using OLS to estimate the ITT model detailed in equation (1); each cell presents the estimated treatment effect from a single regression. All regressions include controls for: month of application with the Lender, month of survey, and treatment assignment probability. Running probits for the binary outcomes produces qualitatively similar results. Each outcome is scaled so that a higher number represent a better outcome. The Data Appendix provides details on outcome measurement. The number of observations varies depending on missing values in the survey data. The income cutoff point is the median income measured at application. The credit score represents the quality of the application, along two dimensions: (1) the credit bureau score, and (2) an internal score computed by the Lender. The credit score cutoff point separates applicants in the two lowest categories from applicants in the three higher categories.

Sample sizes are relatively small on the mental health measures because the questions were designed to be asked only of targeted respondents, and also were inadvertently skipped for approximately half of the remaining sample due to a survey software error.

## **Data Appendix.**

### **Construction of Component Outcome Measures and Indices**

All outcomes described in this appendix are based on data collected from the follow-up household surveys described in Section III-B.

#### Measuring the Component Outcomes Evaluated in Table 4 and Web Appendix Table 2

The poverty line is the household size-specific 'minimum living level', as computed by the Bureau of Market Research of the University of South Africa (UNISA) in 2001. We compare households to the poverty line for annual income using a measure of total household income that is constructed by querying for monthly income over the prior 12 months in several different categories of employment, business, property, and program income.

We construct the percentile of total household earnings reported since entering the experiment using questions on the wage and self-employment earnings of each household member, over the prior 12 months. The percentile is based on the distribution of those with non-zero earnings; we set the percentile to zero for 59 households that report zero earnings over the past 12 months.

The decision-making scale was based on questions asked to married marginal applicants about how the household decides about: routine purchases, expensive purchases, giving assistance to family members, family purchases, recreational use of money, personal use of money, number-of children, use of family planning, method of family planning, assistance given to relatives, decision to borrow, amount to borrow, and where/who to borrow from. The value for each item takes zero if the decision-making is done by the respondent's spouse or someone else in the household, one if the decision-making is done by the couple, and two if decision-making is done by the respondent. The index is the sum of the 13 responses (range: 0-26). The decision-making scale questions were not asked in the 73 surveys answered by a household member who was not the marginal applicant (this occurred when the marginal applicant was unavailable/had moved out/etc.). We could not construct the index for 7 married respondents due to one or more missing components.

The optimism scale ranges from 6 to 30 and is based on the responses to 6 questions. Respondents rank their level of agreement with statements on a 1-5 scale from, and the optimism score is the sum of the responses. See Scheier, Carver, and Bridges (1994) for details on scale construction and validation.

The community socio-economic ladder scale ranges from 1 to 10 and is based on the response to the question "Think of this ladder as representing where people stand in your community or neighbourhood. People define community and neighbourhood in different ways; in this instance we are referring to the people that live around you or with whom you interact on a regular basis. Imagine everyone in your community or neighbourhood is standing somewhere on this ladder. At the TOP of the ladder are the people who are the best off-those who have the most money, the most education, and the most respected jobs. At the BOTTOM are the people who are the worst off-who have the least money, least education, and the least respected jobs or no job. The higher up you are on this ladder, the closer you are to the people at the very top. The lower you are, the closer you are to the people at the very bottom. Where would you place yourself on this ladder, compared to others in your community or neighbourhood?".

The depression scale ranges from 0 to 60 and is based on the responses to 20 questions. Respondents indicate how often they felt like a certain way during the past week, with "most or

all of the time” scoring 3 points and “rarely or none of the time” scoring 0 points. We then sum the scores and multiply the scale by -1 so that higher score reflect less depression. See Radloff (1977) for details on scale construction and validation.

The stress scale ranges from 0-40 and is based on the responses to 10 questions. Respondents indicate how often they felt or thought in a certain way during the last month, with “very often” scoring 4 points and “never” scoring 0 points. We then multiply the scale by -1 so that higher scores reflected less stress. See Cohen and Williamson (1988) for details on scale construction and validation.

Stress, depression, and optimism questions were not asked in the 73 surveys answered by a household member who was not the marginal applicant (this occurred when the marginal applicant was unavailable/had moved out/etc.). The stress, depression, and optimism scales variables are missing 7, 13, and 2 additional observations because one or more of the scale components is missing. Due to a survey software bug, we are also missing stress and depression variables for the 46% of the sample that was randomly assigned to be asked stress and depression questions after questions on borrowing.

#### Combining the Component Outcomes into the Indices Evaluated in Table 4

Indices are created by adding related outcome measures together (after imputing missing values and standardizing as detailed in Section III-E), and taking their unweighted average.

Components for each index are listed in Web Appendix Table 2.

The overall index includes each of the component outcomes listed in Web Appendix Table 2.