

Appendices

1.1 Results from Hardship Financing regression model diagnostic testing

Test type	Test Statistic Name	Value	P-value/ critical value	Conclusion
<i>First Stage</i>				
Underidentification	Kleibergen-Paap rank LM statistic	102.54	0.0000	Not under-identified
	Sanderson-Windmeijer F test	143.31 Chi-sq	0.0000	Not under-identified.
Weak identification	Cragg-Donald Wald F statistic	109.86	Stock-Yogo weak ID test critical values: 10% maximal IV size = 19.93	Strongly identified.
	Kleibergen-Paap Wald rank F statistic	71.50		Strongly identified.
Weak instrument-robust inference	Anderson-Rubin Wald test	22.46 Chi-sq	0.0000	Strong instruments.
<i>Second Stage</i>				
Underidentification	Kleibergen-Paap rank LM statistic	102.53	0.0000	Not underidentified
Weak identification	Cragg-Donald Wald F statistic	109.86	Stock-Yogo weak ID test critical values: 10% maximal IV size = 19.93	Strongly identified.
	Kleibergen-Paap rank Wald F statistic	71.50		Strongly identified.
Overidentification test of all instruments	Hansen J statistic	1.771	0.1832	Not overidentified.
Endogeneity test	Difference of two Sargan-Hansen statistics	17.34	0.0000	Total net income is endogenous.
Weak instrument robust test	Finlay-Magnusson-Schaffer Wald statistic	18.98	0.000	Strong instruments.

1.2 Results from non-medical consumption expenditure regression model diagnostic testing

Test type	Test Statistic Name	Value	P-value/critical value	Conclusion
<i>First Stage</i>				
Underidentification	Kleibergen-Paap rank LM statistic	67.90	0.000	Not under-identified
	Sanderson-Windmeijer F test	82.22 Chi-sq	0.000	Not under-identified.
Weak identification	Cragg-Donald Wald F statistic	71.93	Stock-Yogo weak ID test critical values: 10% maximal IV size = 19.93	Strongly identified.
	Kleibergen-Paap Wald rank F statistic	41.02		Strongly identified.
Weak instrument-robust inference	Anderson-Rubin Wald test	37.52 Chi-sq	0.000	Strong instruments.
<i>Second Stage</i>				
Underidentification	Kleibergen-Paap rank LM statistic	67.90	0.0000	Not underidentified
Weak identification	Cragg-Donald Wald F statistic	71.93	Stock-Yogo weak ID test critical values: 10% maximal IV size = 19.93	Strongly identified.
	Kleibergen-Paap rank Wald F statistic	41.02		Strongly identified.
Overidentification test of all instruments	Hansen J statistic	0.128	0.7207	Not overidentified.
Endogeneity test	Difference of two Sargan-Hansen statistics	26.436	0.000	Total net income is endogenous.
Weak instrument robust test	Finlay-Magnusson-Schaffer Wald statistic	30.91	0.000	Strong instruments.

1.3 Results from non-food, non-medical expenditure regression model diagnostic testing

Test type	Test Statistic Name	Value	P-value/critical value	Conclusion
<i>First Stage</i>				
Underidentification	Kleibergen-Paap rank LM statistic	67.90	0.000	Not under-identified
	Sanderson-Windmeijer F test	82.22 Chi-sq	0.000	Not under-identified.
Weak identification	Cragg-Donald Wald F statistic	71.93	Stock-Yogo weak ID test critical values: 10% maximal IV size = 19.93	Strongly identified.
	Kleibergen-Paap Wald rank F statistic	41.02		Strongly identified.
Weak instrument-robust inference	Anderson-Rubin Wald test	41.95 Chi-sq	0.000	Strong instruments.
<i>Second Stage</i>				
Underidentification	Kleibergen-Paap rank LM statistic	67.90	0.000	Not underidentified
Weak identification	Cragg-Donald Wald F statistic	71.93	Stock-Yogo weak ID test critical values: 10% maximal IV size = 19.93	Strongly identified.
	Kleibergen-Paap rank Wald F statistic	41.02		Strongly identified.
Overidentification test of all instruments	Hansen J statistic	0.038	0.8448	Not overidentified.
Endogeneity test	Difference of two Sargan-Hansen statistics	29.267	0.000	Total net income is endogenous.
Weak instrument robust test	Finlay-Magnusson-Schaffer Wald statistic	35.81	0.000	Strong instruments.

1.4 Results from food expenditure regression model diagnostic testing

Test type	Test Statistic Name	Value	P-value/critical value	Conclusion
<i>First Stage</i>				
Underidentification	Kleibergen-Paap rank LM statistic	67.90	0.000	Not under-identified
	Sanderson-Windmeijer F test	82.22 Chi-sq	0.000	Not under-identified.
Weak identification	Kleibergen-Paap Wald rank F statistic	82.05	Stock-Yogo weak ID test critical values: 10% maximal IV size = 19.93	Strongly identified.
Weak instrument-robust inference	Anderson-Rubin Wald test	15.90 Chi-sq	0.0004	Strong instruments.
<i>Second Stage</i>				
Underidentification	Kleibergen-Paap rank LM statistic	67.90	0.0000	Not underidentified
Weak identification	Cragg-Donald Wald F statistic	71.93	Stock-Yogo weak ID test critical values: 10% maximal IV size = 19.93	Strongly identified.
	Kleibergen-Paap rank Wald F statistic	41.02		Strongly identified.
Overidentification test of all instruments	Hansen J statistic	0.782	0.3764	Not overidentified.
Endogeneity test	Difference of two Sargan-Hansen statistics	10.840	0.0010	Total net income is endogenous.
Weak instrument robust test	Finlay-Magnusson-Schaffer Wald statistic	14.33	0.000	Strong instruments.