

**Authors**

Dean Karlan  
Northwestern University

Jonathan Zinman  
Dartmouth College

**Lying about Borrowing\***

Dean Karlan  
Yale University  
Innovations for Poverty Action

Jonathan Zinman  
Dartmouth College  
Innovations for Poverty Action

November 2007

**ABSTRACT**

We compare survey self-reports with administrative data and find that nearly 50% of recent borrowers do not report their high-interest consumer loans. Under-reporting appears to be correlated with several characteristics of interest, in particular gender: 62% of women, when interviewed by men, under-report whereas 42% of women interviewed by women under-report. On the other hand, 40% of men under-report, irrespective of the gender of the interviewer. As such relying strictly on self-reported data may lead to biased inference, and we outline some methodological implications for identifying impacts of credit access on borrower behavior and outcomes. Matching female surveyors to female respondents appears to be a low-cost mitigating strategy, but clearly the best strategy is to make sure one has administrative data from a lender to measure actual borrowing history.

Keywords: survey methodology, data accuracy, credit data  
JEL Codes: C81, D12, O12

\*Contact: [dean.karlan@yale.edu](mailto:dean.karlan@yale.edu), [jzinman@dartmouth.edu](mailto:jzinman@dartmouth.edu). Thanks to Kathleen Johnson, an anonymous referee and the editor for comments, to Jonathan Bauchet, Luke Crowley and Doug Parkerson from Innovations for Poverty Action for excellent research assistance, to participants at the 2007 European Economic Association meetings in Budapest, and to USAID-BASH and the University of Wisconsin, NSF (CAREER SES-0547898 and SES-0424067), and the Financial Access Initiative and Bill and Melinda Gates Foundation for funding. The views expressed here are not necessarily those of USAID or NSF. All errors, except the lies reported herein, are our own.

## Lying about Borrowing

We compare survey self-reports with administrative data and find that 50% of recent borrowers do not report their high-interest loans. Under-reporting appears to be correlated with several of interest, in particular gender: 62% of women, when interviewed by men, under-report whereas 42% of women interviewed by women under-report. On the other hand, 40% of men under-report, irrespective of the gender of the interviewer. As such relying strictly on self-reported data may lead to biased inference, and we outline some methodological implications for identifying impacts of credit access on borrower behavior and outcomes. Matching female surveyors to female respondents appears to be a low-cost mitigating strategy, but clearly the best strategy is to make sure one has administrative data from a lender to measure actual borrowing history.

**Research brief also available [here](#).**

November 01, 2007