Appendices (For Online Publication Only)

Appendix A: Additional Tables

Table A.1 Comparison of Distributions of Risky Decisions in the U.S. and Mexico

Distribution ID	Distribution Name	1	2	3	4	5	6	7	8
1	US Risky Decisions (ALL)	n.a							
2	US Risky Decisions by those who sent information	n.a.	n.a.						
3	US Risky Decisions by those who did not send information	n.a.	0.272	n.a.					
4	US information sent (ALL)	0.919	0.999	0.059^	n.a				
5	Mexico 1st risky decision (ALL)	0.006**	0.115	0.001**	0.001**	n.a			
6	Mexico 1st risky decision by those who demanded information	0.048*	0.007**	0.041*	0.006**	n.a	n.a		
7	Mexico 1st risky decision by those who did not demand information	0.002**.	0.001**	0.122	0.001**	n.a	0.043*	n.a.	
8	Mexico 2nd risky decision (only those who demanded information)	0.005**	0.001**	0.612	0.003**	0.955	0.904	0.096^	n.a

Notes: All the observations in this table refer to p-values of Kolmogorov-Smirnov tests that compare each pair of distributions in this table. ** The two distributions are significantly different at the 1 percent level. * The two distributions are significantly different at the 5 percent level. ^ The two distributions are significantly different at the 10 percent level.

Table A.2 Actual Changes and Suggested Changes in Second Risky Decision

Changed made by Mexican Participant	Suggested Change from U.S. Participant			
	Negative	No Change	Positive	Total
All treatments				
Negative	15	1	8	24
No Change	14	1	16	31
Positive	1	0	20	21
Total	30	2	44	76
Treatment: Family and Advice				
Negative	8	0	0	8
No Change	2	0	3	5
Positive	0	0	7	7
Total	10	0	10	20
Treatment: Family and Decisions				
Negative	0	0	0	0
No Change	2	0	2	4
Positive	0	0	2	2
Total	2	0	4	6
Treatment: Friends and Advice				
Negative	4	0	3	7
No Change	6	0	7	13
Positive	0	0	7	7
Total	10	0	17	27
Treatment: Friends and Decisions				
Negative	3	1	5	9
No Change	4	1	4	9
Positive	1	0	4	5
Total	8	2	13	23

Notes: All the observations in this table refer to participants in Mexico who demanded information from participants in the U.S. (N=76). The difference between the information received from the U.S. participant and the original decision by the Mexican participant is coded as suggesting a negative, zero or positive change. We compare this to the actual change made by the Mexican participant between their first and second decisions.

Appendix B: Figures

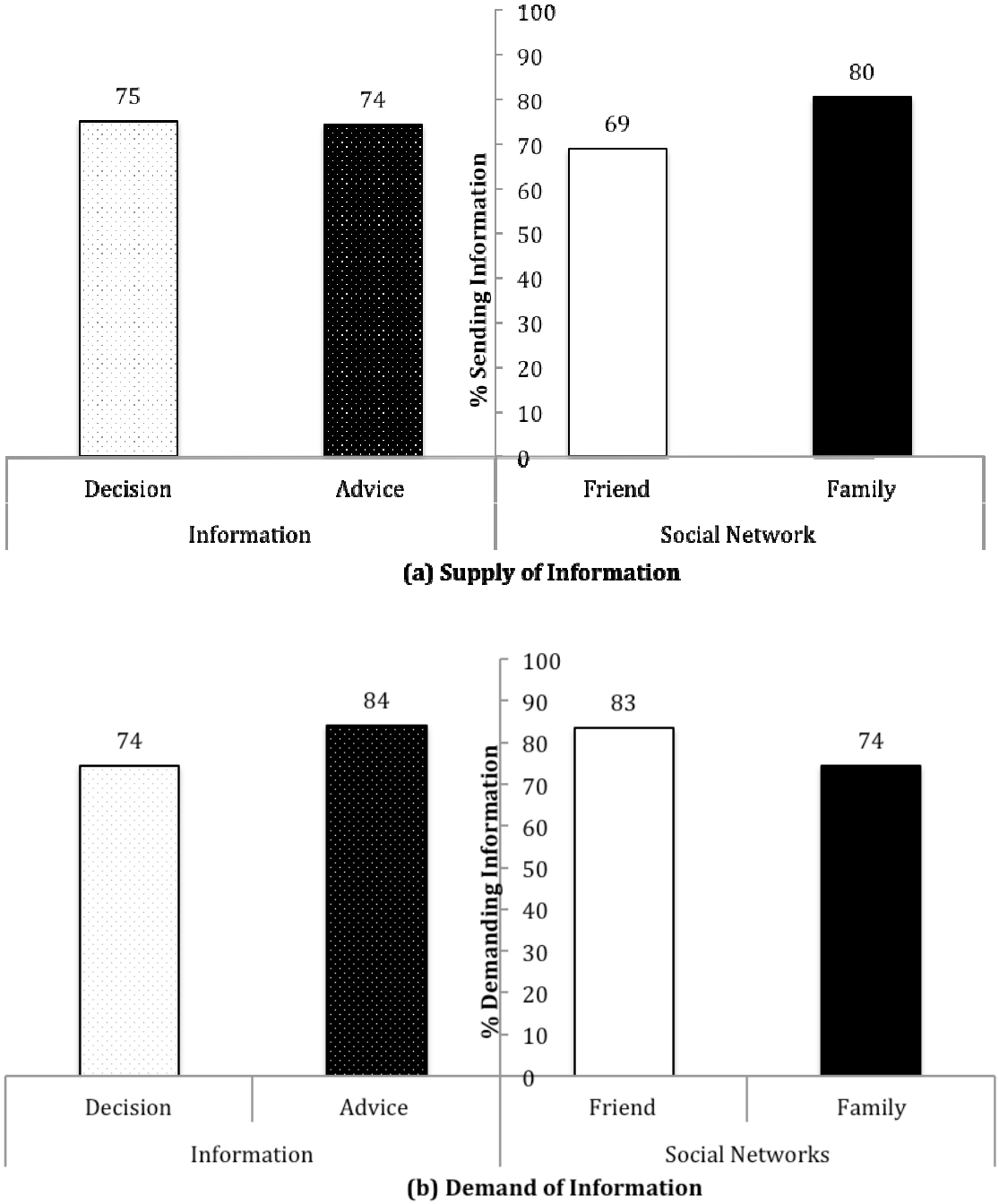

Fig. B.1 Likelihood of Sending and Demanding Information

Notes: Panel (a) displays the percentage of participants in the U.S. who sent information. Panel (b) displays the percentage of participants in Mexico who demanded information.

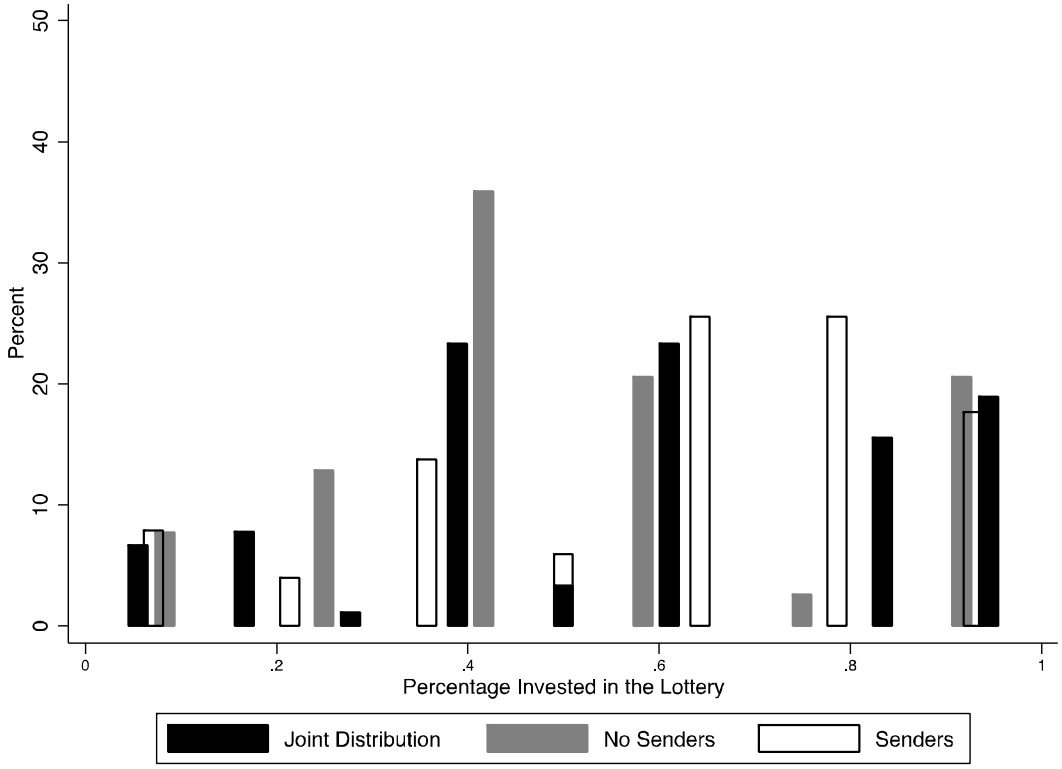

Fig. B.2 Distributions of Risky Decisions in the U.S.

Notes*:* This figure displays the distributions of the risky decisions made by U.S. participants. It shows the joint and separate distributions of the U.S. participants' risky decisions by providers and non-providers of information. Table A.1 in the appendix contains the statistical inference for the comparison of distributions.

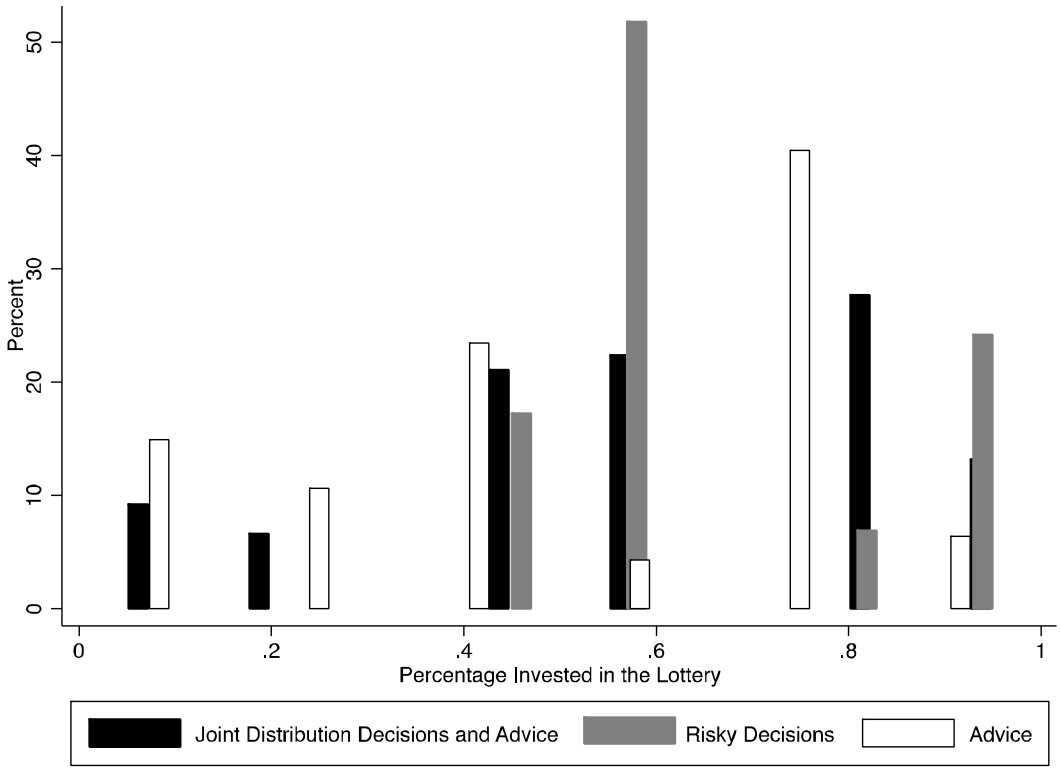

Fig. B.3 Distributions of Revealed Information

Notes: This figure displays the distributions of the revealed information to Mexico participants. It shows the joint and separate distributions of the U.S. participants' revealed risky decisions or advice to Mexico participants. We test for but do not find any significant difference between the U.S. participants' revealed risky decisions and revealed advice using a Kolmogorov-Smirnov (K-S) test ($p = 0.207$). Table A.1 in the appendix contains the statistical inference for other comparison of distributions.

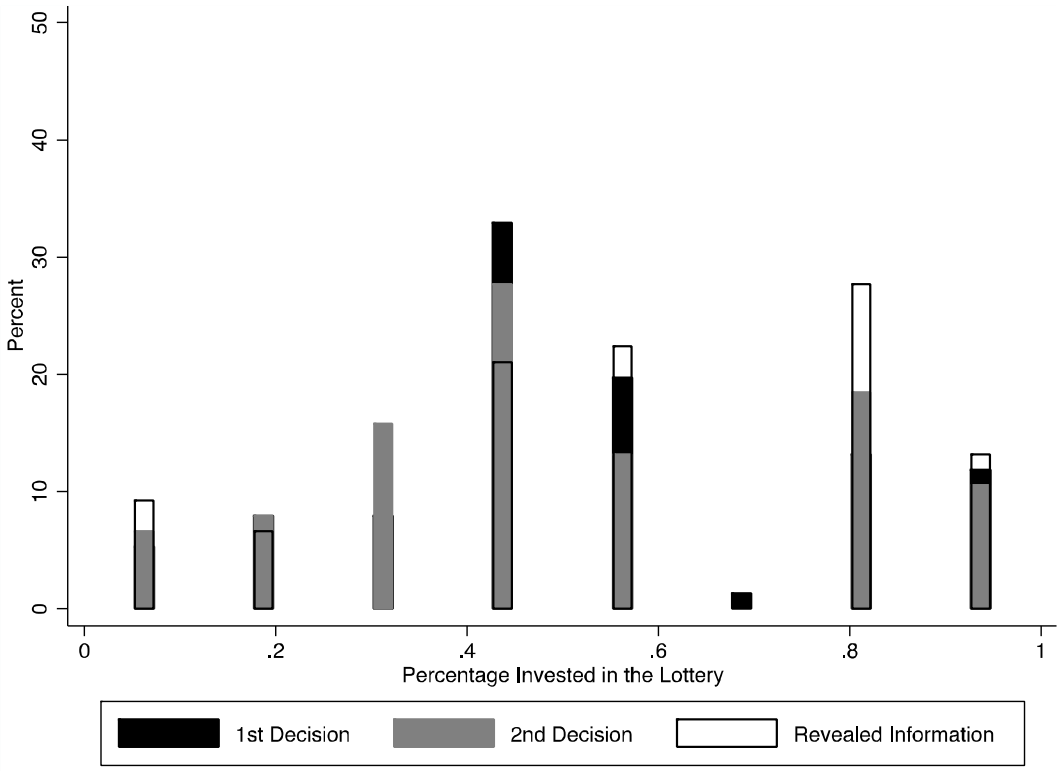

Fig. B.4 Distributions of Risky Decisions in Mexico and Revealed Information from The U.S.

Notes: This figure displays the distributions of risky decisions of Mexico participants before (i.e., 1st decision) and after (i.e., 2nd decision) demanding information. It also displays the distributions of revealed information from the U.S. participants. Table A.1 in the appendix contains the statistical inference for the comparison of distributions.

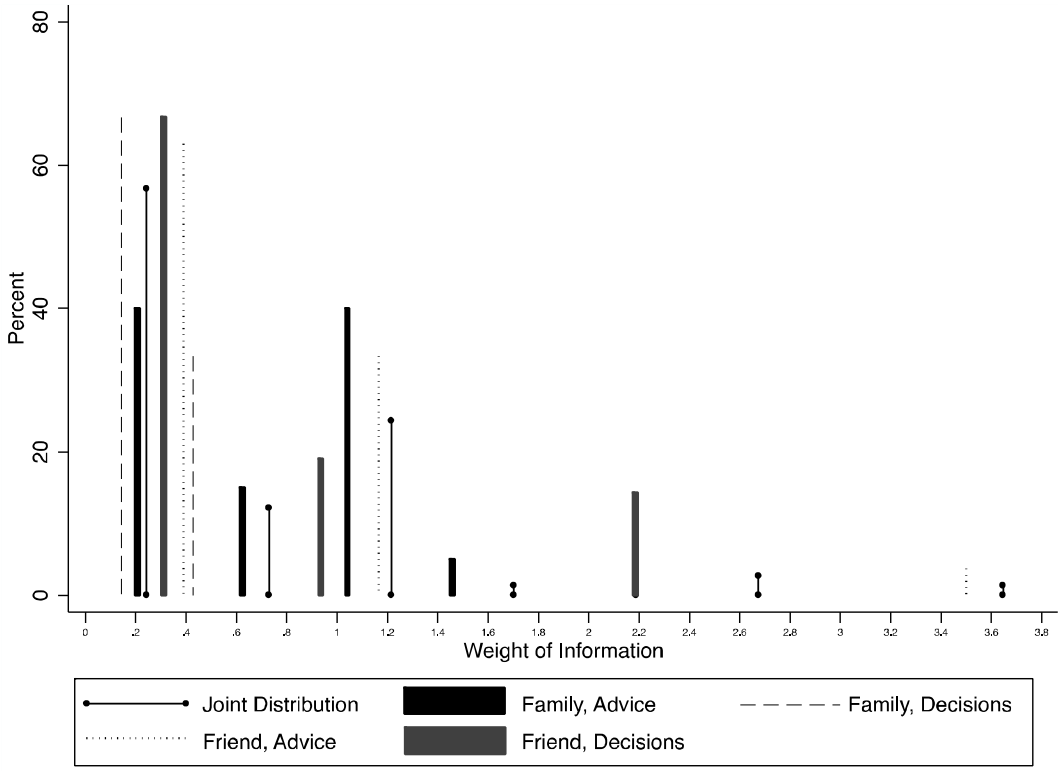

Fig. B.5 Distributions of The Weight of Information

Notes: This figure displays the joint and separate distributions of the weight of information per experimental treatments.

Appendix C: Instructions for Risk Activity and Transmission of Information

Activity Risk with Cards[24]
Now let's start activity 3. Please open your booklets to page …

For this activity you have $25. Out of the $25 you will decide how much you wish to keep and how much you wish to put in a risky option.

What happens to the money you put in the risky option? There is a half chance that you will win and that the money you put in will triple. There is a half chance that you will lose and you will lose the money you have put in.
We have here a bag that contains two cards. Like the ones I have here. One card says mm and the other card says $0. You will draw one card from the bag without looking. If you draw the card with mm on it, then you win and you triple your money. If you draw the card with $0 on it, then you lose and you lose your money. Before you draw the card you can check to make sure that both cards are in the bag.

If we pay this activity at the end of the session you will keep any money you did not put in the risky option. If you win from the risky option, you will triple the amount of money you put into it. If you lose from the risky option, you will earn nothing from it.

Are there any questions?
Now please write down here how much you wish to put in the risky option ($0 through $25).
When you finish please mark your place with your pen and close your booklet.

Transmission of Information from U.S. Participants
(two between-subject treatments advice, and *decision)*

As we mentioned before, we will contact your family members and friends who live in Mexico in the following months.[25] They will also make individual decisions in this activity.

Advice

But before they make their decisions, you will have the chance to send them advice on how much they should invest in the risky option in this activity.

How much would you advise your family member or friend to put into the risky option in this task?_____.

Sending this advice costs $1 per person you send it to. For each person you send the advice to, you will pay $1 out of your $20 show-up fee that we gave you at the beginning. If you do not pay, your family member or friend will not be told that you had the chance to send them advice.

Do you want to pay $1 to send the advice to a family member? Yes / No
How many? _____

Do you want to pay $1 to send the advice to a friend? Yes / No
How many? _____

Please pay $____ right now out of your $20 show-up fee.

Although we will collect the money above, we would also like to know the answer to the following questions:
Would you send the advice to a family member if it were free? Yes / No
Would you send the advice to a friend if it were free? Yes / No

Decision

But before they make their decisions, you will have the chance to send them information about your decision in this task.

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[24] In the instructions for Mexico participants, the U.S. dollars that are read in the text were transformed into Mexican Pesos with a Purchasing Power Parity Index.
[25] The social network was collected at the beginning of all the experimental session before participants had any information about the experiment itself.

How much would you like your family member or friend to know you put into the risky option in this task? _____.

Sending this decision costs $1 per person you send it to. For each person you send your decision to, you will pay $1 out of your $20 show-up fee that we gave you at the beginning. If you do not pay, your family member or friend will not be told that you had the chance to send them your decision.
Do you want to pay $1 to send your decision to your family member? Yes/No
How many? _____

Do you want to pay $1 to send your decision to a friend? Yes/No
How many? _____

Please pay $____ right now out of your $20 show-up fee.

Although we will collect the money above, we would also like to know the answer to the following questions:
Would you send your decision to a family member if it were free? Yes/No
Would you send your decision to a friend if it were free? Yes/No

Transmission of Information to Mexico Participants
(two between-subject treatments, advice, and *decision)*

As we mentioned before, we recruited you to participate in this experiment based on a reference from a family member or friend who lives in the U.S. in previous months. Your family member or friend also made individual decisions in the previous activity in previous months in the U.S.

Advice

These participants have sent you some advice on how much you should invest in the risky option. In activity 4 you will have the opportunity to see this advice. You will then make a second decision in the same setting as activity 3.

Receiving this advice costs $1 per piece of advice. You will pay $1 out of your $20 show-up fee that we gave you at the beginning. No one will be told if you paid or not.

Do you want to pay $1 to receive the advice from your family member/friend? Yes/No
[NOTE: family or friend, not both]
Please pay $1 right now out of your $20 show-up fee.

Although we will collect the money above, we would also like to know the answer to the following questions:
Would you receive the advice from a family member/friend if it were free? Yes/No

You paid for the following advice.
Your family member/friend advises that you put _____ out of $25 in the risky option.
[Again, only family or friend, not all]

Now that you have seen this advice, please write down here how much you wish to put in the risky option ($0 through $25).
When you finish please mark your place with your pen and close your booklet.

Decision

These participants have sent you some information, how much they invested in the risky option when they made their decision. In activity 4 you will have the opportunity to see this information. You will then make a second decision in the same setting as activity 3.

Receiving this information costs $1 per piece of information. For each piece of information you receive, you will pay $1 out of your $20 show-up fee that we gave you at the beginning. No one will be told if you paid or not.

Do you want to pay $1 to receive the information from your family member/friend? Yes/No
[NOTE: family or friend, not both]
Please pay $1 right now out of your $20 show-up fee.

Although we will collect the money above, we would also like to know the answer to the following questions:
Would you receive the information from a family member/friend if it were free? Yes/No

You paid for the following information.
Your family member/friend put _____ out of $25 into the risky option. [NOTE: Either family or friend]

Now please write down here how much you wish to put in the risky option ($0 through $25).
When you finish please mark your place with your pen and close your booklet.

Appendix D: Image for Risk Activity

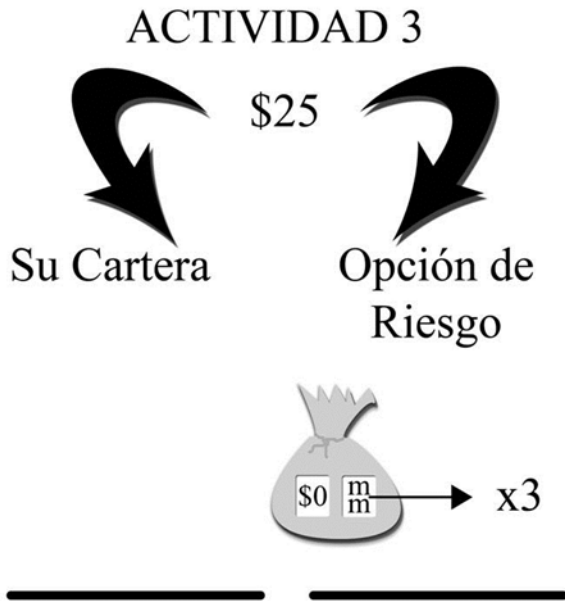

Fig. D.1 Image for Risk Activity

Note: We use this picture to show our low literacy population how to invest money in two different accounts.

Appendix E: Robustness Checks

E.1 Supply of Information

To more formally test our hypotheses we use the Probit model specified in equation (1).

(1) $P(Information_{ij}=1|x) = \Phi(\beta_0 + \beta_1\, Decision_i \cdot Family_i + \beta_2\, Advice_i \cdot Friend_i \quad \beta_3\, Decision_i \cdot Friend_i + \Gamma\vec{X} + \varepsilon_{ij})$

The dependent variable captures immigrants' likelihood of providing information to individuals back home in Mexico, and assigns the value of one if the immigrant paid for sending the information, zero if otherwise. The independent variables of interest are interactions of two dichotomous variables: The variable $Decision_i$ ($Advice_i$) takes the value of one if a current immigrant is facing the treatment in which has the opportunity to send his own investment decisions (advice), and a value of zero when assigned to the treatment to send advice (decisions) to Mexico participants. The variable $Friend_i$ ($Family_i$) is assigned a value of one if a current immigrant sends information to a friend (family member), and a value of zero if they do not. Our independent variables are the interaction terms of these variables (*i.e.,* $Decision_i \cdot Family_i$, $Advice_i \cdot Friend_i$ and $Decision_i \cdot Friend_i$) which will be used to test our hypothesis 3. The omitted variable is $Advice_i \cdot Family_i$. $\Phi(\beta_0)$ is the constant. The control variables in $\vec{X}$ are socio-demographic characteristics including gender, age, number of children under 18 years old, years of education, income in dollars, whether the participant is a current home owner, marital status, legal status, number of trips to the U.S. while undocumented, and level of inexact or erroneous information received about living in the U.S. as a potential immigrant. ε_{ij} is the error term. We present average marginal effects that are consistent with the sign and level of significance of coefficients. Standard errors are clustered by individual.Table E.1 below presents the results. Specification (1) is without control variables and specification (2) includes them. Our results are robust to the inclusion of control variables, and to other specifications (i.e., logit). We observe effects that are qualitatively consistent across both specifications, although the statistical significance varies. Our prediction 3 suggests that participants provide advice to family members and decision information to friends. We test this hypothesis through marginal effects of β_1, β_2 and β_3, which are the coefficients of the interaction terms $Decision_i \cdot Family_i$, $Advice_i \cdot Friend_i$ and $Decision_i \cdot Friend_i$ in Table E.1 below. Consistent with hypothesis 3, in the full specification the marginal effects of β_1 ($p = 0.045$) and β_2 ($p = 0.001$) are significant and β_3 is not.[26]

Table E.1 Supply of Information (Sending Information to Mexico): Regression Results

Dependent Variable	1 = Pay for Sending Information,			
Independent Variables	(1)		(2)	
	Marginal Effects		Marginal Effects	
Family x Decision	-0.155	(0.117)	-0.210*	(0.105)
Friend x Advice	-0.258**	(0.078)	-0.266**	(0.073)
Friend x Decision	-0.123	(0.118)	-0.165	(0.110)
Female			-0.026	(0.091)
Age			-0.001	(0.004)
Children			0.014	(0.024)
Education			-0.048**	(0.012)
Income			0.001	(0.000)
Own House			-0.172^	(0.095)
Single			0.054	(0.086)
Undocumented			0.219*	(0.088)
U.S. Trips			0.013**	(0.003)
Inexact Information			-0.037	(0.044)
Observations	122		122	
AIC	140.61		125.15	
Probability of minimizing loss			0.001	
Wald test**			13.4	

Notes: Robust standard errors in parentheses and estimated through delta method.
** Significant at the 1 percent level. * Significant at the 5 percent level. ^ Significant at the 10 percent level.

[26] In addition to the main variables of interest, we observe a few significant impacts of the control variables on the transmission of information. The likelihood of sending information declines by 4% with an extra year of education ($p = 0.001$). Being undocumented increases the probability of sending information by 21% ($p = 0.014$), and an extra trip a participant crossed the border while being undocumented also increases the likelihood of sending information by 1% ($p = 0.001$).

E.2 Demand for Information

We follow a similar approach to the Probit specification in equation (1) above. The dependent variable is the likelihood of demanding information from current immigrants in the U.S., and assigns the value of one if the Mexico participant paid for demanding the information under the corresponding treatment, and a value of zero if they did not. The independent variables (i.e. $Decision_i \cdot Family_i$, $Advice_i \cdot Friend_i$ and $Decision_i \cdot Friend_i$) take the value of one in the appropriate four conditions. The variables in $\vec{X}$ do not include variables on the immigrant experience but instead include the number of contacts in the U.S.We present the statistical inference for the demand of information in Table E.2 below. Specification (3) contains experimental variables and Specification (4) includes control variables. As above, our results are robust to the inclusion of control variables and other specifications (i.e. logit). Our prediction 3 suggests that participants demand advice from family members and decision information from friends. We test this hypothesis through marginal effects of β_1, β_2 and β_3, which are the coefficients of the interaction terms $Decision_i \cdot Family_i$, $Advice_i \cdot Friend_i$ and $Decision_i \cdot Friend_i$ in Table E.2 below. Consistent with our hypothesis 3, in the full specification the marginal effects of β_1 ($p = 0.000$) and β_2 ($p = 0.010$) coefficient estimates are significant and β_3 is not.[27,28]

Table E.2 Demand for Information (Demanding Information from the U.S.): Regression Results

Dependent Variable	1 Pay for Demanding Information, 0 Otherwise			
Independent Variables	(3)		(4)	
	Marginal Effects		Marginal Effects	
Family x Decision	-0.386**	(0.108)	-0.499**	(0.097)
Friend x Advice	-0.146	(0.095)	-0.224**	(0.086)
Friend x Decision	-0.041	(0.111)	-0.159	(0.105)
Risk Eckel/Grossman	0.004	(0.024)	-0.011	(0.021)
Female			0.091	(0.072)
Age			0.006*	(0.003)
Children			0.018	(0.033)
Education			-0.007**	(0.006)
Income			0.001*	(0.001)
Own House			-0.119	(0.082)
Single			-0.197*	(0.089)
Number of contacts in U.S.			0.020**	(0.007)
Observations	95		95	
AIC	96.26		94.16	
Probability of minimizing loss			0.012	
Wald test**			18.84	

Notes: Robust standard errors in parentheses and estimated through delta method.
** Significant at the 1 percent level. * Significant at the 5 percent level. ^ Significant at the 10 percent level.

[27] Additionally, we observe the impact of a few control variables on the demand of information. The likelihood of demanding information declines by 20% if the participant is single ($p = 0.028$). The likelihood of demanding information increases modestly with age and income ($p = 0.038$; $p = 0.020$). The likelihood also increases by 2% with an extra contact in the U.S. ($p = 0.006$). We do not observe any relationship between risk preferences and the demand of information per se ($p = 0.602$). We also used the first risky decisions as an alternative risk aversion measure but it is not significantly different from zero (p=0.343) and the rest of our results remain the same as in Table E.2.

[28] Based on a referee's excellent suggestion we tested whether the socio-demographic distance between the sender of information and the receiver of information impacted the information demanded. We used specification (4) but included the distance between the parties in terms of age, education, income, marital status, number of children, home ownership and elicited risk preferences. Our main results remain. The only variable that is (marginally) significant is that of marital status ($p = 0.094$). We also find that the Akaike Information Criterion is higher with these variables included (AIC=104.82) than with them excluded (AIC=94.16).

E.3 Use of Information

We next investigate the robustness of this effect in a Tobit regression, consistent with equation (1) above, but with the WOA as the dependent variable. As in the previous specifications we concentrate on the overall effect of the experimental treatments measured by $Decision_i \cdot Family_i$, $Advice_i \cdot Friend_i$ and $Decision_i \cdot Friend_i$. Consistent with our hypothesis 3, specification (6) in Table E.3 shows that the marginal effects of the first two variables are significant and negative, and the marginal effect of the last is not significant. Mexico participants rely 23% less on decisions than advice from family members ($p = 0.000$), and also rely 20% less on advice from a friend than a family member ($p = 0.022$).

Table E.3 Weight of Information: Impact of Information on Investment Decisions

Dependent Variable	Weight of Information			
	(5)		(6)	
Independent Variables	Marginal Effect		Marginal Effect	
Family x Decision	-0.228*	(0.033)	-0.232**	(0.029)
Friend x Advice	-0.168^	(0.099)	-0.207*	(0.090)
Friend x Decision	-0.130	(0.108)	-0.119	(0.116)
Risk Eckel/Grossman	0.022	(0.118)	0.051	(0.129)
Female			0.321	(0.371)
Age			0.007	(0.016)
Children			0.066	(0.144)
Education			-0.001	(0.047)
Income			-0.001^	(0.000)
Own House			0.690	(0.493)
Single			0.435	(0.442)
Number of contacts in U.S.			0.002	(0.003)
Control Variables	*No*		*Yes*	
Observations	74		74	
Pseudo R^2	0.043		0.129	
AIC	171.43		173.70	
Left Censored (0)	30		30	
Right Censored (1)	23		23	

Notes: Robust standard errors in parentheses and estimated through the delta method.
** Significant at the 1 percent level. * Significant at the 5 percent level. ^ Significant at the 10 percent level.