

1 We thank the reviewers for their thoughtful comments. Regarding the empirical evaluation of our policy, we plan to  
2 include simulations to showcase the efficiency of the policy; due to lack of time we leave this for the final version of the  
3 paper. Next, we address each reviewer’s additional questions separately.

4 **Review 1:** — Regarding non-interchangeable occupations and jobs: Thank you for raising your concern; this is an  
5 interesting aspect. We currently assume that there is one fixed job type and the same distribution of high-skilled workers  
6 across social groups. With multiple job types and belief-based bias, we could again improve the welfare of minority.  
7 Specifically, in order to learn whether an employer is discriminating (see eq. (10)), we need to condition on the job type  
8  $r$  and the bias level  $\beta_r$  of discriminating employers against minority workers doing job  $r$ , as well as take into account  
9 the fraction of  $D$  employers looking for task  $r$ . Thus, we think that the DM policy can be modified to apply here, with  
10 the difference that matching decisions will also depend on job types and capacity constraints. Our results will still hold  
11 even if workers stick to their type of jobs as long as workers do accept offers from many different employers of the  
12 same type (who offer the same job). This is common in many types of jobs in online labor platforms.

13 — Regarding the concern about reinforcing unjustified stereotypes: Given belief-based bias, our policy reduces the  
14 effect of unjustified stereotypes. It achieves it by helping minority workers accumulate a larger number of reviews. As  
15 the available information about the worker increases, the effect of stereotypes (belief-based bias) reduces. Theoretically,  
16 bias can not be reinforced asymptotically (Theorem 2). But even in a practical setting with a finite time horizon, our  
17 policy helps decrease faster the uncertainty about minority workers; as a result, the discrimination gap also decreases.

18 — Thank you for the references. Indeed, studying the exit rate of workers is an interesting direction. Intuitively, we  
19 expect higher exit rates of minority workers because “they may not even have the chance to receive enough reviews or  
20 even stay long in the platform due to the competition” (l. 241-243). Hence our DM policy may help to reduce exit.

21 — Regarding the applicability of DM policy: There is no available law that clearly regulates such policies (see Rosenblat  
22 et al. (2017), Levy and Barocas (2017)). However, platforms are already allowed to collect data about users to optimize  
23 the platform’s actions such as matching and recommendations. Policies such as hiding sensitive information (see the  
24 Airbnb policy about user photos) have not been successful. Furthermore, policies that penalize discriminating users may  
25 be problematic because 1) under belief-based bias, it is not clear how to select a threshold for discriminatory behavior,  
26 and 2) such policies may create imbalance in the market. Thus, our policy could be an effective, easy alternative to  
27 implement and/or serve as a benchmark for future policies. Nevertheless, online platforms already implement similar  
28 directed matching (e.g. new users with few reviews are more frequently shown on top of search results).

29 **Review 2:** — In comparison to Johari et al. (2017), we include agent histories on both sides of the market and  
30 incorporate strategic behaviors (social learning and hiring/review decisions) on one side of the market (employers) to  
31 the evolution of the system (lines 83-84). These two factors make the dynamical system in our paper take a non-linear,  
32 non-standard form, and differentiate (both technically and conceptually) our model from Johari et al. (2017).

33 — Regarding bias in reviews: We could directly extend the model to add an additional bias level for reviews. In this  
34 case, the model exhibits taste-based discrimination (and not belief-based as we mainly consider). As we discuss in  
35 Appendix E, given taste-based bias, discrimination persists asymptotically but our DM policy can still improve the  
36 welfare of minority workers. The same would hold if we assume additional bias in reviews. In both cases of belief- and  
37 taste-based bias, DM helps minority workers accumulate a larger number of reviews faster.

38 — Regarding comparison of multiple workers: Modeling this will complicate the model by introducing choice models.  
39 However, if we borrow ideas from search theory, then the problem of each employer reduces to a threshold-based  
40 decision rule which - in expectation - should not affect our current results.

41 — On notation in eq. (3): Indeed, we mean  $W_q^c(K) = \mathbb{E}(\sum_{k=1}^K \delta^k m_k \mid Q = q, C = c)$ . Thank you for the correction.

42 — On use of “monotonic”: We actually mean non-strictly increasing/decreasing.

43 — On word choice (minority/majority): Our results do not rely on assumptions about the size of each worker group.  
44 Thus, privileged/unprivileged is a better choice and we will adopt it in the paper.

45 **Review 4:** — Thank you for acknowledging the originality of our model. We also view this as a significant contribution.

46 —  $\mathbb{P}(g = D \mid H_n)$  is the probability that the employer belongs to group  $D$  (discriminating) given her history  $H_n$  of past  
47 hiring decisions about the  $n - 1$  workers she has met so far.

48 — “Ex-ante/ ex-post idiosyncratic”: We mean the preference shocks of employers before/ after hiring the worker,  
49 respectively (see also Besbes and Scarsini 2018). We will include the definition.

50 — On the optimality of DM policy: The optimality of DM policy is an open, challenging question. However, the policy  
51 is simple and we show that it successfully reduces discrimination.

52 — On Section 4.2 and the learning pool: Some workers are in the learning pool, because we are learning from employers’  
53 decisions made for those workers. Under the given DM policy, some minority workers enter the learning pool and a  
54 few may remain there until they leave. An alternative solution (which does not affect our technical analysis) would be  
55 to carefully randomize among workers of the same history so that minority workers in the learning pool also exit the  
56 learning pool with positive probability.