

## Keeping in the Dark with Hard Evidence (Joint with Alex Frug)

### **abstract**

We examine a dynamic setting where, in each period, an agent privately observes periodic data and submits a report to the principal based on the realized data. We identify conditions under which the Law of Large Numbers, which typically guarantees accurate inference, may fail in this mediated environment. In particular, we characterize when the agent can systematically bias the principal's long-run beliefs and obstruct her ability to learn the true state. We then study two distinct scenarios—persuasion and reform avoidance—demonstrating how strategic disclosure can significantly alter long-term outcomes.