

(Doubly) Irreversible Disclosure^{*}

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Abstract

I study a dynamic disclosure game between an agent and a decision maker where the agent's decisions to start and stop disclosing are both irreversible. Over time, the agent privately receives conclusive bad signals about an unknown state. He chooses a time period over which this information flows to the decision maker who then takes an action. In the unique Markov perfect equilibrium under refinement, the later the agent starts disclosing, the longer he keeps disclosure open. While disclosure is in progress, the agent faces a tradeoff between a more favorable action and higher risks, which leads to delayed stopping by a more optimistic agent.

Keywords: dynamic disclosure, strategic timing, signaling.

JEL Codes: C73, D82, D83

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