

# Perfect Versus Imperfect Monitoring in Repeated Games

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## **Abstract**

This note presents three results on repeated games. First, players can be better off with imperfect private monitoring than with perfect monitoring, even in the presence of a mediator who can condition her recommendations on the entire history of actions and recommendations. Second, the folk theorem holds with mediated perfect monitoring without any full-dimensionality conditions, so private monitoring cannot improve on mediated perfect monitoring when players are patient. Third, if the mediator can condition her recommendations on actions only, then even patient players can benefit from private monitoring.