

Passed Solution Review

4. Consider an extensive-form game in which player 1 is one of two types: A and B. Suppose that types A and B have *exactly* the same preferences; the difference between these types has something to do with the payoff of another player. Is it possible for such a game to have a separating PBE, where A and B behave differently?

Yes, Player 1 may do something of interest to other players if it is rational for them to do so

Their actions may signal something that makes a difference to the other player