



## Episode 764: The US Government's War on Poker

Guest: Adam Haman

**WOODS:** It's not as much fun talking to you over Skype or the telephone as it is talking to you on the Contra Cruise, but Contra Cruise can't go on forever.

**HAMAN:** Oh my. Easily your finest achievement.

**WOODS:** I've been telling people it's better than my book, this cruise.

**HAMAN:** Have you sold out next year's event already?

**WOODS:** Well, shh, ix-nay on the alking-about-next-year's-event-tay, because there is officially no "next year's event" just yet.

**HAMAN:** Oh sure, play it cagey. That's fine.

**WOODS:** (laughing) I can't say we've ruled it out. We haven't ruled — I forget which George Bush it was. We haven't ruled anything in; we haven't ruled anything out.

**HAMAN:** (laughing)

**WOODS:** Anyway, when you were on there I decided to do an impromptu session with you when I learned that you were such a good poker player, and I thought, hey, there's a casino on the ship; maybe people can learn something. And the first thing they learned was don't play in that casino. So let's talk about that. How do you assess a situation like that? How do you know, whereas another person, a novice, might not know, you don't go gambling on a cruise ship casino?

**HAMAN:** Well, the acid test is if you're on a ship at sea, don't engage in any games of chance they offer you. There's no competition, you see, so they have no incentive but to offer you anything but the worst games. That's the easiest thing.

**WOODS:** But what makes them bad games?

**HAMAN:** They'll change the pay tables. They'll give you terrible odds. The first cruise I ever went on they had a Black Jack game, and it was pretty good. There was a whole huge list of extra features, extra payouts they'd give you. You get six cards, and you haven't busted yet; you win. You get three black cards, and you win. Just a bunch of

things. And I bought in, it sounded fabulous, I started losing right away, and I'm still reading the list trying to figure out what's going on; there are so many good rules. Then I get to the bottom, and it turns out they've taken all the Jacks out of the decks. That's not good for Black Jack.

**WOODS:** Yeah. That's a small detail (laughing).

**HAMAN:** Anyway, so I ran away from that table. When you're on a ship at sea, they're just never giving you a good game. Any casino in the world would be better than what's on the ship.

**WOODS:** Well, what about the slot machines on a cruise ship as opposed to in Vegas?

**HAMAN:** Well, I don't even know. In Vegas, as much as we detest regulations, at least in Vegas I know what the slot machines are supposed to hold. On a ship at sea I don't know if they're regulated at all. They might just —

**WOODS:** Okay, tell us what that means: supposed to "hold." What does "hold" mean?

**HAMAN:** Right, right. Like in Vegas I know that the casino is going to keep between 25 and 15% of every dollar that gets put in on average, something along that range. But what is it on a cruise ship? I don't know, 50%? 40%?

**WOODS:** What would be considered reasonable to the point where — I know you're not a slot machine player, of course, but that it's not completely preposterous that somebody might sit down and play?

**HAMAN:** Oh, I don't know. It depends on how brightly the lights flash, I assume, right? Or whether you like the Willy Wonka machine or the Michael Jackson machine.

**WOODS:** All right, so you don't do slots. You don't do —

**HAMAN:** Well, it's pretty bad. Yeah, the casino's going to take 15% of every dollar you put in, you just really shouldn't play it.

**WOODS:** Right, so there's — okay. So you want something where that percentage is vastly lower.

**HAMAN:** Yeah.

**WOODS:** So there are plenty of table games that you also wouldn't play. So you would play Black Jack, and you would play various forms of poker, but generally you go for poker. Now, what forms, and why?

**HAMAN:** Oh, well, poker, unlike all the other casino games, you're not playing against the casino. The casino makes money hosting poker games by just charging a rake or a time collection by the players for the privilege of providing the dealer and the tables and the ambience and drinks and regulating the game for you. So there you're just

playing against other patrons, and you have as good a chance as your skills will take you.

**WOODS:** So let's talk about that. Now of course we're going to talk about the government; we're going to bring the government into this in a minute, but —

**HAMAN:** Oh, they always get involved, Tom.

**WOODS:** Yeah, that's right. No matter what it is. But let's talk about — you were just saying how far your skills can take you, and I guess as a non-gambler — I mean, I know how to play some kinds of poker. Unfortunately I don't know how to play the kinds that you play. Even though everybody plays those, I don't. I wonder how far can skills take you, in the sense that, aren't you still, no matter how much you hone your skills, there's still some element of if you get lousy cards you get lousy cards.

**HAMAN:** Yeah, that's true. The rule of thumb is that in the short run luck predominates and in the long run skill predominates. If you're consistently doing things better than your opponents are, mathematically your skill will predominate. If you're playing good hands and they're playing bad ones, if you're making sure you're getting good odds to draw at certain hands and your opponents are doing worse, in the long run that'll bear fruit.

**WOODS:** All right, now, when we were walking through the casino together just to look at it, not to play but just to look at it, we came across something you were not expecting. You said, oh my gosh, this is an actual poker game going on in front of us.

**HAMAN:** Yeah, it's the first time I'd ever seen one. Sometimes on a ship you'll see an automatic poker game, where the players will just sit around this big machine and a computer will deal to everybody, but here they had an actual Vegas-style 2/5 no-limit hold 'em game. But true to their nature as you being a captive audience, they charged three times the rake, which is the percentage of the pot they take each hand. Instead of 10% up to \$5, they were taking 10% up to \$15, which is the kind of bite that only a government would appreciate.

**WOODS:** And yet, even still there was a part of me, Adam, I have to admit, that was standing there saying I know you're on vacation, I know you don't strictly want to be doing this on vacation, but man, would it be fun to watch you sit down and just clean up. (laughing) You know, just for my sake. Do it for the Contra Cruise.

**HAMAN:** Do it for the team. It was a pretty good looking game.

**WOODS:** Yeah, but anyway, the reason I bring it up is we were going through, and you were showing me why this particular video poker I'd be crazy to play and it pays out ridiculously badly and I should certainly never do this or that. And there was a game of — gosh, what was the game where you said, "This table should be burned to the ground"? Was it paying like six to five or something? You remember that?

**HAMAN:** Oh yeah, that's right. You know, Black Jack's supposed to pay three to two, and this one was paying six to five, which is just an abomination to Black Jack enthusiasts everywhere.

**WOODS:** But we saw the poker game, and you were telling me about the players sitting around the table, and your wife said this is one of the most amazing things about you, is that you can assess these other players on the basis of various other factors that you've learned about over the years by looking at them and how they're playing and what things they're doing. Even little minute things they're doing you can pick up on, and you can even come up with a pretty good guess as to what it is that they're holding. Like I remember you were looking at me saying, yeah, that guy's got a flush. I mean, you remember that? That's crazy.

**HAMAN:** I do.

**WOODS:** How?

**HAMAN:** Yeah, I got a little bit lucky, but –

**WOODS:** I don't expect you to give all your secrets away, but at least open the door a little bit. Let us peer into that crazy world you inhabit.

**HAMAN:** Well, I guess I can summarize it by just saying that in the absence of actual evidence, I use profiling. Profiling works. Old players tend to play different than young players. Men tend to play different than women. You can tell something about how people view money based on how they're dressed. Some of those people were wearing casino gear, so I know at least they've been in a casino before. But above and beyond that, mainly people just give away little tells about how interested they are in the hand or how much they like their hand. They lean forward; they lean back. Expressions on your face, once you've seen enough of them, tell you a whole bunch. The way they stack their chips tell you whether they're loose or tight or organized thinking or sloppy thinking. There's just a million different things.

**WOODS:** So it's not just a matter of playing the cards. You're also playing against these particular opponents.

**HAMAN:** Oh, absolutely. You know, whenever a novice asks me how do I play this hand, you know, I've got Ace Queen under the gun, what should I do, and I'll tell them you're just starting out wrong. You need to think about the money. Focus about winning money. So first tell me everything you can tell me about how much money's on the table, who's got it, what do they play like, what their tendencies are, and figure out a way to get them to put money in the pot, and then for you at the end of the hand to end up with that money. And that's where your card-playing ability comes into it. But the first thing that you need to know is how is the money going to get into the pot and what mistakes are your opponents going to make.

**WOODS:** Now, this is a way in which it's different from chess, because in a very limited way you're playing against a particular opponent, but really you're playing the pieces that are on the board. There's no betting going on, and you're really just playing – and

you can get a sense of the style. Is this person an attacker? Is this a tactical whiz, or is this going to be a long, drawn out, strategic struggle? You can get a bit of that from watching a person play, but by and large the person who knows tactical themes is going to defeat the person who doesn't, period. That's just it.

**HAMAN:** Yeah, that's why poker's better, actually. You could play poker like chess if you completely ignored everything there is to know about your opponent, just ignored them, and then just played purely on the math of the game, making your bets and checks and folds and raises as if your opponent wasn't even there. But we can do much better. We start with the tactically sound poker and then look at our opponent and see what mistakes they make and exploit them. It's much more difficult to do in chess. In chess you just find strong lines and strong positions and just advance. I mean, I hate to insult you, Tom. You're a very good chess player. But chess is really a pretty rudimentary game, wouldn't you admit?

**WOODS:** (laughing) Yeah, that's – (laughing).

**HAMAN:** I say this with all humility. You trounced me when we played on the ship. You just trounced me.

**WOODS:** No, but it was a very interesting position, and you had an interesting tactical move that you made right at the beginning, and I thought, surely this is unsound. I'll just crush him. And I just waited and waited and waited for it to be unsound, and it wasn't happening. So it was quite interesting. It was the pin on my rook right from the very beginning, because I couldn't –

**HAMAN:** That's right.

**WOODS:** But anyway, we'll get to my mastery of chess another time. Let's stick to poker. Does that mean if you're faced with a choice – and we will get to the government. We'll get to the stupid government. But you know, if all we talk about is the government then the terrorists have won, you know?

**HAMAN:** (laughing) The government terrorists?

**WOODS:** Exactly. So if you are faced with a choice, you can sit down and play with these flesh and blood human beings, or you can play poker online – let's assume there are no government restrictions on that – what's your choice? You want to play the flesh and blood people because then in addition to your knowledge of the math of the poker you can also bring in your knowledge of the individuals? But also, could it be that – is it that maybe with online poker it's easier to find people who just aren't so good maybe, and so maybe the math will suit you better? How would you choose that? What's more desirable?

**HAMAN:** Well, there's pros and cons both ways. I personally prefer live, just because I enjoy the social interaction and I do get a lot of information from my opponents. But you know, playing online's pretty fabulous too. What you lack in information about your opponents you make up for in being able to play more than one game at a time. And there's just something fabulous about being able to wake up and shuffle

downstairs in your underwear, get a cup of coffee, and play poker online with anybody in the world that you want to. And unfortunately, our beloved overlords have taken that right away from us as Americans.

**WOODS:** Well, that's, by the way, what my day sounds like, except it's podcasting rather than poker playing.

**HAMAN:** (laughing) Yeah, you're living the dream.

**WOODS:** Yeah, if people had any idea what I'm wearing in half of these episodes.

**HAMAN:** (laughing)

**WOODS:** All right, we're going to talk about the government now – what has government done to our gambling – after we thank our sponsor.

[Sponsored content]

All right, here is the moment we've all been waiting for. I only know this vaguely, but I remember – I told you about two other libertarian card players I know. One of them's Robert Fellner, and he's the guy – I can say his name openly, because he was on Fox Business. And this was one of the times the government interfered with online poker, and he had like a quarter million dollars frozen. And he shows up with a sport coat and underneath it the Rothbard "Enemy of the State" shirt, and I thought, okay, I've got to get to know this guy. So there's that. There's another guy; I shouldn't mention his name, because he hasn't given me permission, but he's somebody I know who moved to Mexico so that he could continue to play. Now here's what I want to ask you: why would somebody have to move to Mexico to be able to play online poker? This is the land of the free, so what happened?

**HAMAN:** "The land of the free" – you wish. Yeah, when the government completely made it illegal for Americans to play poker online, it just destroyed the livelihoods of many, many people that I know, and in order to get around it, you literally had to leave the States and go set up a life somewhere else where the government would allow you to play a game online with other human beings. It's just pure oppression. This was 2011 that they finally closed the doors for good after a decade of harassing the industry, which first started in 1998, I believe.

**WOODS:** So what is the official rationale for this?

**HAMAN:** It's your classic Baptist-bootlegger story. There's of course the moralizers who think gambling is just bad from a Puritanical sense and you must protect people from themselves, and authoritarianism, paternalism. But that argument probably wouldn't hold sway if it wasn't for the bootleggers, which are the large casino interests that are very upset that they're not getting their piece of all this gambling activity, this billion-dollar business that's happening online. And they would just as soon have them make it illegal to play in these online casinos, and then either force people into the brick-and-mortar establishments, or even better, they're trying to get government licenses to

operate online casinos themselves, and just corner the whole enormous American market.

**WOODS:** You know, that reminds me. You know the name Sheldon Adelson, of course?

**HAMAN:** Of course. I smell him from here where I sit.

**WOODS:** All right, talk to me about what you just said about casinos and they view online poker obviously as undesirable competition. Where did he come down on that question – I ask you innocently.

**HAMAN:** (laughing) Yeah, he was of course famous for being politically active and paying out politicians to try and get his way. It was him and Caesar's of course, a big player, and MGM. Between the three of them they really cracked down. And for several years, the government just ignored online poker, because, after all, it's not hurting anybody, and there wasn't a specific law that made it obviously illegal. Some Puritans would point to the Wire Act or something to pretend like it applied, but it really didn't. But it was Sheldon Adelson primarily that forced his "representatives" to really crack down on the issue and pass new laws like the UIGEA, the Unlawful Internet Gambling Enforcement Act. That was the first shell they fired at the industry in 2006 to make it illegal for banks and other financial institutions to process payments to and from US citizens if it had anything to do with gambling.

And then in 2011 the DOJ just literally seized the websites of all the poker domains. You get up in the morning to go play poker with your coffee and your underwear. Instead of seeing the poker room, you'd see this disgusting seal of the Department of Justice talking about the seizure. And on that same day they froze 76 bank accounts in 14 countries, just depriving innocent people of hundreds of millions of dollars of their own money, because gambling is evil and Sheldon Adelson wants more money.

**WOODS:** But was there any claim that they were breaking any law? What is the law?

**HAMAN:** Yeah, well, the new law, the UIGEA I just mentioned, was passed in 2006, so they claimed that that was being violated, and then of course they threw in fraud and money laundering and a bunch of other nonsense –

**WOODS:** Yeah, that was actually what I was driving at. Were they claiming that people were somehow, there was some dishonesty with the money?

**HAMAN:** Oh, they always throw that in. But no, there's actually no claims of any problems. I mean, this is a billion-dollar industry. People were having hundreds of trillions of transactions every day, and there were very, very few problems. Fraud was almost nonexistent. So no, they had no real case.

**WOODS:** Let me ask you the kind of question that in the Baptist-bootlegger model would be asked by the Baptist – and by the way, just for people who are not familiar with that term, this is – now I'm blanking on the guy who coined the term. Everybody's going to email me the name. I know the name; I just can't remember. "Baptists and bootleggers," the idea is that you have people who moralize and that's why they want

to do something with the government, and then you have people who have entirely their own self interest at heart, and these two are unlikely bedfellows and they usually get what they want.

When it comes to gambling, I can easily see what the argument would be. You can imagine a head of household, for instance, who's responsible for the welfare of children, and he just gambles his paycheck away. And when the paycheck is gone, he goes and hocks his watch and next week's paycheck, and he does that with an ATM that's conveniently located right in the casino. You're telling me that that happens so infrequently that it's not even worth bothering trying to stop people from doing that?

**HAMAN:** Oh, I can't make that claim. I don't have the demographics about who actually does harm themselves. I'm sure some people do. But the question is do they own themselves or don't they? Are they allowed to be adults and make their own adult decisions even if it hurts themselves according to the perspective of somebody else? That's just the pure libertarian argument you need to make in this case. I mean, if a man loses \$5 he's hurt himself, but does that give anybody else the right to tell him he is not allowed to act according to his own principles and make ownership decisions with his own resources?

**WOODS:** I guess to that extent it's like the question of the war on drugs.

**HAMAN:** Of course.

**WOODS:** You could do a lot more damage to yourself than you can gambling.

**HAMAN:** Yeah, absolutely.

**WOODS:** And people are starting to see the folly of that one. All right, so let's go back. I want to ask you – I just can't help it. I mean, I've got you hear; I can ask you anything I want. And I'm curious to know the math, when it comes to Black Jack I know that there's a method that you can use. You can count cards, and you can get to a point where you can at least maximize your chances – we'll put it that way.

**HAMAN:** Sure, you can make Black Jack a winning game if you're counting the cards.

**WOODS:** But now with poker it's a more complicated game, and I guess I want to know, even though I get your point that I've got to use every bit of information that I have and that information goes beyond themselves – I get that. But let's just stick to the cards, because you're an expert at the cards too, I'm sure, after playing for so many years.

**HAMAN:** Sure.

**WOODS:** So I wonder if we could take, like, a hand that if, let's say somebody were dealt it – well, I know you hate five-card draw, as I do; it's a boring game, but it's easy, because there's only one draw. I get five-card – give me a typical five cards I might get that might totally stump the amateur who'd say, well, I could go this way, I

could go that way, I could go that way. And I want to know how you look at it as opposed to how a schmuck like me would look at it.

**HAMAN:** Oh boy. Yeah, I'm not going to really have anything really interesting to tell you. It gets down to the same problem, though. You really need to know your opponents, and when your opponents open the pot – you know, decide to play a hand and raise with it – you need to know what their tendencies are. What kind of hands do they think are the minimum requirements for playing a pot? And what does it mean when they decide to draw a card? What does a two-card draw look like? What does a three-card draw – ?

**WOODS:** But wait a minute; hold on a minute. But when they lose I don't see what their hand was, so I can't say to myself, oh, well, now I know they'll be in even with a crummy hand. I never get to see their hand unless they win.

**HAMAN:** Oh, that's not true. Let's say you're playing with five players in this five-card draw game, which for some reason you love so much. Let's say one guy raises and another guy re-raises. And then the last guy, our victim, we think is just a horrible player, but we're not sure. He calls the re-raise, and then when it actually gets to him, he draws three cards. So now we know he's willing to put in three extra bets with nothing more than a pair. That's the best thing he could have. So even though he's probably going to end up losing, we don't get to see his hand at showdown, we've figured out something fairly important about his range, what he's willing to do with certain value hands. And that's the kind of thing you're just looking at as far as every player. You're just always watching what they're doing. You can get a sense of how many hands or how weakly they play just by their frequency, how many hands they're playing. Are they playing them all? Are they waiting for two hours before they enter the pot? All sorts of information you can gather.

**WOODS:** What of the many variants of poker do you prefer, and I wonder if the same answer would come to this question: what's the one where human skill plays the greatest part? I mean, maybe you might say five-card stud, for example, you don't have as much opportunity to show your skill. So in other words, which is the one that you think you're most likely to win at? Is that also your favorite kind?

**HAMAN:** Different people would give different answers to this question. No-limit hold 'em is frequently called – Well, Doyle Brunson called it the Cadillac of poker, because in his view it was the most intricate, the most complex; it had the most style, the most artistry to it. And I think he's probably right. On the other hand, a game like single-draw no-limit 2-7 low ball, that's a pretty compelling, difficult game. My personal favorite game is a rather pedestrian one: seven card stud high only. I love that game. I love every little intricacy about it. But I also love Omaha. I love high/low split games. I love the triple draw games with the Badugi variation, like Badeucy and Badacey. I love to make up new games on the fly that have hold 'em and Omaha and stud elements to them and draw game elements. I just love it all, Tom. I'm a games guy.

**WOODS:** Well, what kind of advice can you give to the vast majority of people listening to this who play cards informally or they go to a casino once in a while, and they're novices, but they look at somebody like you and they say, man, I wish I could

look at the world the way he does, I could look at the world of poker the way he does, in the same way that I look at a really great chess player and I say, boy, wouldn't it be great to look at the board and see what that person sees?

**HAMAN:** Sure, sure.

**WOODS:** How do they start doing that?

**HAMAN:** I've got four pieces of advice, and they're all fairly simple. The first one is play far fewer hands than you're playing right now. My second piece of advice is every hand you do play, start playing it much more aggressively than you do now. Where you're thinking about calling, raise. Where you're thinking about checking, bet. Just in general. My third piece of advice is when you folded your hand, instead of staring at the TV or the pretty cocktail waitress or thinking about how awesome strawberry ice cream is, really focus on what the players that are still left in the hand are doing. Start figuring out what their tendencies are. Just analyze them. Watch them. Pick up tells if they're available to be picked up on, which they are. Just be more observant. And the fourth piece of advice is just start thinking tactically. Based on the observations you just thought about and observed, try and figure out what they're doing wrong and how to capitalize on it, and you will find yourself (a) richer and (b) probably enjoying the game on a different level than you were before.

**WOODS:** Can you tell us something about what it's like to play in the World Series of Poker?

**HAMAN:** It's kind of fun. On the other hand, it's kind of a circus and annoying, because it's very crowded. But that's where all the money is. It's fun. I go there every year. I don't really play that many tournaments, but there's a lot of cash games to play, and it's always a very exciting buzz. It's still the greatest tournament there is in the world, I think.

**WOODS:** Yeah, yeah, yeah. As I told you, I was reading an article about you at the World Series of Poker. That's fun stuff. I – oh, geez – oh yeah, I want to ask you a question actually that I asked you on the cruise when we did that little impromptu Q&A for interested people, and I asked you do you think – I mean, you're the sort of person who you're good enough at the game that if you were to walk by a table full of amateurs and they were unsuspecting, you could sit down and just clean up and earn money that way. Would you view that as a job, as work? Would you think of that as work, or do you actually take pleasure in it?

**HAMAN:** I don't know, Tom; how do you feel about these conversations you're just forced to do five days a week? The drudgery, oh my goodness (laughing).

**WOODS:** Yeah, I know. Right, I like this whole thing. Now, once in a while, I get somebody where it's like pulling teeth, and I think, well, I am getting some compensation for doing this, but a lot of the compensation I get is just the satisfaction of a job well done that I hope I'm doing on a regular basis. So how about you, my friend?

**HAMAN:** No, no, no, I absolutely love it. I would not play if I did not like to play. I enjoy the people; I enjoy the conversation. It's not just this cutthroat, "I'm going to take your money," "grr" thing. It's a game. I like to play a game. I just prefer winning to losing, and so I work at it a little harder than most people do. But most of the time sitting there playing cards is fun.

**WOODS:** All right, that was the correct answer. I wanted to hear that. All right, so what else? You were telling me before we went on about general gambling principles.

**HAMAN:** Ah, general gambling principles.

**WOODS:** You were saying, well, we could always talk about gambling principles. Are there principles that apply – ?

**HAMAN:** Oh, that was just a bluff, Tom. There's no such thing.

**WOODS:** (laughing) See? You read me. You thought, okay, this is a deer-in-the-headlights podcaster who doesn't know anything about gambling. I'll give him a little – right?

**HAMAN:** No, of course there's general gambling concepts. In poker or any casino game, you're always trying to figure out what the expected value of a particular bet is. That means, you know, on average there's a winner or loser, how much, what percent. And you're also interested in the variance of a given gambling situation: how widely are the results going to vary around the expected value. You want to make sure you have enough money to cover the swings of a particular gambling venture. Just basic math, stuff like that. Nothing particularly interesting, but they're important.

**WOODS:** If somebody is, let's say, a professional gambler, there are obviously some games that they just would never play.

**HAMAN:** Sure.

**WOODS:** Is there such a thing as a professional craps player?

**HAMAN:** (laughing)

**WOODS:** Or if you're a professional gambler, wouldn't you stay away from craps?

**HAMAN:** Yeah, good question. No, there's no such thing. Although there's an urban legend: a man named Archie Karas, who said for decades he was a professional craps player. He won and lost just hundreds of millions of dollars – well, maybe tens of millions of dollars. But no, he ended up broke like everybody else. Although there's a fairly famous poker theorist who figured out a way to reduce the house edge in roulette down to zero, which is pretty good. Are you interested in hearing it? You think that would be something valuable.

**WOODS:** Oh yeah, yeah, you've given me this advice, and it's a very, very good strategy for roulette, yeah.

**HAMAN:** It's pretty good. So yeah, being able to reduce the house odds to zero is very good, and you can do it. You have to make sure that there's enough room next to the table that you can approach from either side, and you have to make sure that the dealer is rotating the ball counter-clockwise. This is important. So you find those two criteria. You approach the game and approach on the right-hand side, and as you get up to the place where the bets are being placed and the dealer is standing, you just keep going.

**WOODS:** There it is.

**HAMAN:** And voila.

**WOODS:** There it is. (laughing) You just keep going, and then?

**HAMAN:** You've reduced the house edge to zero.

**WOODS:** The house has a zero edge over you in that situation.

**HAMAN:** The roulette game will take no money from you.

**WOODS:** Yeah, well, that is important to know. By the way, you can also — obviously these games are about strategy; they're about all kinds of different things, but they are about betting. And I could bet on a lot of things. People bet on football games; they bet on all kinds of athletic contests. They call up a bookie, and they bet. But that doesn't involve all the intricacy of a poker game, with the probabilities, with the assessment of the opponents, with all those features. So I assume then with you this is not a matter of I just like better on things, because you could sit at home and bet on the horses; you could bet on —

**HAMAN:** Oh, actually, I know people who make money betting on football games and horses and all these things as well.

**WOODS:** Okay, and they're profitable in the long run?

**HAMAN:** Yeah, they have to be good enough at what they're doing, handicapping these competitions, that they can beat the house edge, the bookie's edge. He's charging a vig for every bet he places — or beat the points for it, if you think the points for it are set incorrectly. And there are people I know who treat it like a job, and they pore over the statistics and computer simulations and this and that and the other, and then they beat the game, year in, year out.

**WOODS:** What's the whole thing about a casino throwing you out of the casino because you're too good? What does that amount to?

**HAMAN:** They can throw anybody out for any reason. And they can also throw you out and put you in jail if you cheat, use a machine or something to try to gain an advantage. But they don't do that very often. They usually throw people out because you punched someone in the face or you swore a lot. I don't see that many people get thrown out.

**WOODS:** All right, so it's not — because I watch some of these specials on TV about people who are trying to cheat the casino in one way or another. But sometimes it's just they're counting cards, and that's a little different from I'm using an earpiece or something.

**HAMAN:** Yeah, counting cards is not illegal in the slightest. You're allowed to do that. They're showing the cards. It's not illegal to remember what they were. But again, if the casino thinks you're really good at it and they're silly enough not to simply shuffle the deck, which is all they have to do to negate your advantage, they can ask you to leave. They don't need to give a reason. Just thank you for your business; you're a lovely customer; please go away. And then you're not allowed there anymore.

**WOODS:** But are there things that are more sophisticated than that, like involving electronics or surveillance or whatever that people could try?

**HAMAN:** Well, I once knew a guy back in the day who was cheating — this is illegal, folks. Don't try this at home. And in the mid '90s he had a system with a team of accomplices, and it was pretty extravagant. He would side up to a Black Jack game with a camera mounted in his belt buckle in a power pack attached to his back on his belt and a radio transmitter sticking up through his corduroy shoulder pads in his jacket. And he would stand there in the middle of the table watching the dealer as he shuffled the deck or decks, as they case may be. And that information would get transmitted to his accomplices with a computer in the van, and after he'd gotten all the — she'd stop dealing — or he — he would cause a disruption by asking for a whole bunch of change and making the deal wait, obviously, while they're compiling and crunching numbers in the van. And if he was able to hold her up long enough, he would be able to tell exactly what order the cards were in. He could name an entire 52 times 6-decks' worth of cards, which is extremely profitable information to have. That's cheating. You can't do that. You're not allowed to do that.

**WOODS:** Yeah, yeah, you can't do that. All right, well, I'm going to ask you as we part for one book that — it can be brand new; it can be an old classic — but one book somebody could read where at the end of that book the person would say I've got a pretty good handle on poker as compared to before I read it.

**HAMAN:** I'll give you two. The first poker book I think that ever came out was in the early '70s, and it was called *Super System*. It was a compilation by Doyle Brunson and a bunch of his gambling pals at the time. And that's still a really good book. And the other one I would give you is *The Theory of Poker* by David Sklansky, and it's just a pure theory, how you should look at bets in general and poker in particular, and if you're interested in this kind of thing, start with those two. And if you're disgusted or fell asleep or threw the book down, you can just go on and read more and enjoy gambling responsibly.

**WOODS:** TomWoods.com/764 is where I'll link to those books, but I guess I want to ask you one more thing. I was very surprised when talking to you on the cruise and finding out that — I just assumed that if I could generalize about gamblers and their political views that, well, this seems like something you might associate with libertarians, because it involves fighting against the state in our day and age and living the way you

want to live – all that sort of stuff. And yet you told me nothing could be further from the truth.

**HAMAN:** Yeah, I mean, there might be a 1% increase in libertarian views in the gambling or poker-playing population, but it's tiny. It's a blip. People think – people compartmentalize, as you know, and they think about politics the way their mom or dad told them or the movies told them, and they just don't – I know guys who play for a living, and they're like, yeah, well, the government obviously is protecting people, and we can't have this – we had unregulated, unlicensed online poker for over a decade, and it was beautiful. And they're like, yeah, we really need to get the government involved and license and regulate and tax it. That's just responsible. It breaks my heart. But no, you don't find libertarianism even in poker players. It's very, very sad.

**WOODS:** All right, you have a moral obligation to seek those people out and kick the crap out of them at the poker table.

**HAMAN:** You heard it here: an incite to violence from Tom Woods.

**WOODS:** (laughing) In a card sense, of course. All right, listen, I appreciate the chit chat. I get this better. I still just can't wrap my head around the fact that one day you went to these websites and you just couldn't access them because they'd been seized. That is just incredible to me.

**HAMAN:** It was so dirty, Tom. It made me seethe in anger.

**WOODS:** And is there any potential, is there any agitation to get that changed, or is that just done and gone forever?

**HAMAN:** Um, well, you can always leave the country like they're always telling you to do. And I assume eventually Sheldon Adelson and his cronies are going to get licensed games up and running. It's taking forever. And there are tiny little intra-state games you can play, like within the state of Nevada only, and I think New Jersey has one too. So you can still play a little bit, but compared to the worldwide beauty of the market that used to exist, it's just a calamity.

**WOODS:** Well, I appreciate you telling us about it, and now we know what's going on. I'm looking forward to seeing you again. Now I don't know when that would be, because who knows what the circumstances could be in which I would see you.

**HAMAN:** You know where you won't be missing your friend that you met on a boat?

**WOODS:** (laughing) That's right, exactly. You know, just today, I think I sent this out in my email today, but just today Orbitz, the travel agency, sent out an email with the subject line, "You know what's not debatable?"

**HAMAN:** (laughing) Oh, are you kidding!

**WOODS:** And I was about to send that to Bob, and he sent it to me.

**HAMAN:** (laughing)

**WOODS:** And of course I wanted to come back with, "The Contra Cruise?" Anyway, all right, thanks, Adam. Always a pleasure.

**HAMAN:** Thank you very much, Tom.