

# **The Theory of Poker Study Guide**

## **The Theory of Poker by David Sklansky**

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# Plot Summary

The Theory of Poker by David Sklansky is a how-to book. It is written for poker players who understand the basics of the games, but need to perfect their knowledge and playing strategies. This book will teach the player to think like a professional. The book will instruct the player about what is and isn't important in poker playing and will help the player to understand the logic that is involved in playing poker games. What should you do in a particular situation? Every poker player wonders about this at times. David Sklansky's book will help the player understand what factors to consider in various situations. The book looks at the theory and concepts involved in games of poker that help the player ascertain what the best play in various game situations is. These theories and concepts are evident in every kind of poker game.

This book does offer rules for the player. It does not teach the player how to play poker. The Theory of Poker is not a book for beginners and will not teach the newbie player the rules of the games. The book teaches the player how to think in the various situations which a poker player will encounter. Sklansky doesn't give the players a list of rules to follow. Memorization is not the way to play poker. He does present the rules of the game in the Appendix for new players, so newbies can benefit from reading the book. But the book is basically intended for those who know the rules and have some experience playing the various games.

This doesn't mean that the new player can't benefit from the book. The new player can learn the rules of the game from the Appendix and then incorporate the rest of the book into the learning process. The new player will learn to think like a pro right away instead of developing bad habits and will learn the correct approaches to different hands and different situations right after learning the rules of the games. This is a book about game theory and how to apply the concepts to poker. Sklansky teaches the player how to view the different situations in terms of game theory and how to determine the best play in the situation.

Since poker is such a popular game now, many people will find this kind of book interesting. It takes a little longer to learn to play the way Sklansky suggests, but it is worth the time. It is better to learn the proper approach instead of just trying to memorize rules.

David Sklansky is considered to be one of the top authorities on poker playing in the world. He has written various books and other documents as well as led seminars for poker players. He has also given seminars at the World Series of Poker. He earns a portion of his income from gambling, so he has to be successful at what he does.



# Characters

## David Sklansky

David Sklansky is the author of the book and a professional gambler. He is considered to be an authority on poker and gambling. He has written more than ten books on poker, in addition to having videos and other kinds of gaming publications. He is also active in giving poker seminars. He has presented these seminars at the Taj Mahal in Atlantic City and also at the World Series of Poker. He also works as a consultant to brick and mortar casinos, online casinos and gaming equipment companies.

Even though David has all of these activities going, he still earns a portion of his income from gambling. Poker is not his only game. He also plays in gambling tournaments, spot betting, blackjack video games and in various casino promotions. Sklansky writes his books to teach players how to think like professionals, not how to learn the rules of the game. He has won several World Series of Poker bracelets and is considered to be one of the best poker players in the world.

## Doyle Brunson

Doyle Brunson is a well-known and respected poker professional, who has won several titles. He has given poker seminars, some with David Sklansky. Brunson is from Longworth, Texas. Brunson has been playing poker for more than fifty years and is considered to be one of the better players. He has won the World Series of Poker twice and has written several books on poker. He was the first player to win one million dollars in poker tournaments.

Brunson began his poker career playing with a friend in illegal games. They began to travel around to different states playing poker. He wrote a book, "Super/System," which was self published in 1978. Super/System 2, published in 2004, has a chapter written by David Sklansky. Brunson is still an active professional poker player and one of the top winners on the circuit.

## Jay Heimowitz

Jay Heimowitz is an amateur player from Monticello, New York. He began by playing 25-50 cent poker and was winning about \$20 per week. This was enough to take his wife out to dinner. He finally decided that if he played \$1 limit poker, he might increase his winnings to \$40 per week. Jay ended up eventually playing no-limit hold'em for five and six figures. His point of view is you win more when you play for more.



## **Bobby Baldwin**

Bobby Baldwin is from Tulsa, Oklahoma. He played in the 1981, world poker championship and lost because he had two bad bets. He was leading the other players until the last two hands when his opponents outdrew him and knocked him out of the tournament.

## **Stu Ungar**

Stu Unger is a professional poker player who was involved in the 1980, no-limit hold'em championship played at Binion's. He drew to an inside straight and beat Doyle Brunson.

## **Crandall Addington**

Crandall Addington is a real-estate magnate from San Antonio, Texas. He was one of the players in the 1978, no-limit hold'em world championship.

## **John Crawford**

John Crawford was one of the great game players and gamblers. He played bridge, backgammon and gin rummy.

## **Jack Straus**

Jack Straus was the 1982, poker champion.

## **Mike Caro**

Mike Caro is a poker expert who gives poker seminars with David Sklansky.



## Objects/Places

### Binion's Horseshoe Casino

Binion's is a casino in Las Vegas, Nevada.

### Gardena, California

Gardena is the location of poker rooms and the place where David Sklansky has given poker seminars.

### Horseshoe

The Horseshoe is a Las Vegas casino where the 1978, no-limit hold'em world championship was held.

### Castaways

The Castaways is a casino.

### Sahara

The Sahara is a casino in Las Vegas.

### On-board

This term applies to the cards in the hand that are face up on the table.

### Hand

Hand refers to the cards the player is playing in the game. They can be face-up or face-down.

### Position

Position refers to where the player is in the betting sequence. Is he first to bet, last or in the middle?



## **On the End**

On the end refers to the last round of betting.

## **The Come**

The come is a situation where a player is playing a hand that he hasn't yet made, since he is still waiting for the cards.



# Themes

## Playing Poker

Playing poker is the subject of the book and the theme of the book. The book doesn't teach people how to play poker, it teaches people who play poker, how to play poker correctly. Sklansky's purpose is to teach people how to think properly when they play poker. He tries to change the player's outlook on the game, so that the player learns to think like a professional thinks.

The book is full of examples of various hands and how to play them. Sklansky doesn't just give the reader rules to follow, although the player can find the game rules in an appendix. He explains why the player should do things the way he suggests. The explanations are usually somewhat mathematical in nature but are explained in simple terms, and they cover a variety of situations. They show the player why he does better in a mathematical sense by playing according to Sklansky's rules.

Playing poker should be fun for the player, and the player should play in games that he feels comfortable in. He shouldn't play in games where the limits are too high because that will affect the way he plays. This means that it will affect the way the player thinks and the decisions that he makes.

## Importance of Strategy

The basic theme of the book is the importance of strategy. Sklansky's point of view is that a poker player must develop his strategy and use it to win. From Sklansky's view, players should consider poker in terms of its hourly rate. This means that the player must be able to figure out his expected winnings in terms of an hourly rate. Sklansky's viewpoint is that players shouldn't consider things on a hand by hand basis but should take an overall approach or look at the total expected winnings.

Strategy is important because it helps to increase the player's winnings. The player is taught strategy in terms of mathematical expectation, or the chances of an event occurring. He is taught to view the other player in terms of the psychology of poker. What does the other player think in terms of what you have and in terms of what you think he thinks you have? How does the player use this information to his own advantage?

Strategy is important even in social situations. Players should play to win money, not to win hands. Players gain when they play correctly and lose when they make mistakes. The player should view all of poker in terms of risks and rewards and should always be comparing the two.





## Fundamental Theory

Sklansky develops his Fundamental Theorem of Poker in the book as the basis for all poker playing. This basically says that a player should play the hand the way he would if he could see all of his opponent's cards. Whenever the player accomplishes this, he gains. Whenever he deviates from this, he loses. The same thing is true for his opponents. So basically you have all of the players in the game trying to follow this theory.

The book then is devoted to showing players how to play according to this theory. Players do not usually have the luxury of seeing the opponent's hands. This means that they must try to figure out what they think the other player has based on the information available. Sklansky shows them how to use this information and to turn it into odds so can make the best play based on the information available to them.

All the poker plays and strategies are based on this theory. This is why bluffs and semi-bluffs are so important as the player tries to get his opponents to make mistakes. Every time the opponent makes a mistake, the player gains. These gains eventually translate into winnings or money, which is why the player is playing poker to begin with.



# Style

## Perspective

The book is written in the first person point of view with the narrator being the author. The first person works quite well for this kind of book. The purpose of the book is instructive and informational. The author is trying to teach the reader the finer points of his poker strategy and how to play according to his strategy.

David Sklansky is considered to be an expert in the area of poker. He is well qualified to write this kind of book, since he has won poker championships several times and is a well-known author and seminar leader in the field of poker. He is an expert that is giving advice to his readers.

The intended audience is not the newcomer to the game. Sklansky is not teaching the rules of the games in this book. His purpose is to teach strategy to those players who already know the rules of the games. He is trying to teach them to think like a professional. The use of the first person has a greater impact on the reader because it makes the instruction seem more personal. It is almost like a one-on-one situation for the reader with the professional.

## Tone

The language of the book is basically in everyday English but does contain poker jargon, which it should contain since it is a book on poker. There is a Glossary at the back of the book for the reader to look up the terms if he doesn't understand the explanation that is given. The reader must have some basic knowledge of the various poker games in order to follow the concepts in the book.

Some of the concepts in the book, such as game theory and mathematical expectation, can be complicated. Sklansky tries to explain them in simple terms and to show the reader how to use them on a practical basis in a game. The player does not have to be a theoretician in order to use these concepts, but he does have to have some grasp of mathematics.

The tone is objective and the book is written in a matter-of-fact way. The author is not emotional. He shows the reader how to think of poker in terms of an hourly rate, which the player earns when playing. The concepts are not forced on the reader. The author presents them in a factual manner and shows the reader why they are important.

## Structure

The structure of the book is quite simple. There are twenty-five chapters, most of them short and readable. Each chapter is devoted to a very specific topic that is covered



thoroughly in the space allotted. There are plenty of examples throughout the book, which allows the player to obtain practical knowledge. The examples make it much easier for the player to relate to the book and the various concepts that Sklansky is presenting.

There is a Glossary that defines important poker terms. If the individual misses one, he can look the term up without having to backtrack through the book. Information about the rules of the various poker games is presented in another appendix. Sklansky makes the point of stating that this book is not for the newcomer. He is not teaching the player the rules of the various poker games, since those are mechanical. He is trying to show the player how to think as a professional poker player does.

The format chosen for the book works quite well. Each of the short chapters has a well-defined topic from which there is no deviation. This makes it easier for the reader to focus on that specific topic.

## Quotes

"Whatever your level of play, the succeeding chapters will introduce you to theories and concepts of poker that will eliminate your reliance on luck and lead you to become an expert who relies on his skills. For above all, you must remember that poker is not primarily a game of luck. It is a game of skill." (Chapter 1, pg. 2)

"Anytime you make a bet with the best of it, where the odds are in your favor, you have earned something on that bet, whether you actually win or lose the bet. By the same token when you make a bet with the worst of it, where the odds are not in your favor, you have lost something, whether you actually win or lose the bet." (Chapter 2, pg. 10)

"It is very important to understand that when we talk about making a mistake according to the Fundamental Theorem of Poker, we're not necessarily talking about playing badly. We're talking about a very strange kind of mistake - playing differently from the way you would if you could see all your opponents' cards." (Chapter 3, pgs. 24-25)

"The Fundamental Theorem of Poker states that the best way for players to play is the way they would play if they knew their opponent's cards. Anytime a player sees an opponent's cards when the hand is over and says, 'Oh, if I'd known that's what he had, I would have played differently,' that player has cost himself money and made (or saved) money for his opponents." (Chapter 3, pg. 26)

"These two extremes - no ante and an absurdly high ante - suggest a general principle of play. The lower the ante in comparison to future bets, the fewer hands you should play; the higher the ante, the more hands you should play. A different way of looking at it is: The lower the ante, the higher your starting requirements should be, and the higher the ante, the lower your starting requirements should be. Or in the language of the poker room: The lower the ante, the tighter you should play; the higher the ante, the looser you should play. I consider 5 percent or less of the average future bets a small ante and 15 percent or more of the average future bets a large ante. Anything in between is an average ante. Thus, \$100 would be an average ante in a \$1,000-\$2,000 game, while in a \$5 - \$10 game, 50 cents would be an average ante." (Chapter 4, pgs. 27-28)

"Equally important in determining whether a hand that needs improvement is worth a call is the question of whether the hand will win even if you do make it. Your hand might lose in a variety of ways. It can happen because you are drawing dead - that is, the hand you are looking to make is already beaten by your opponent. For example, when that open pair bet into your four-flush and a possible straight earlier in this chapter, he might have been betting a full house, which you have no way of beating. It can also happen that you make your hand and your opponent makes an even better hand even though you weren't drawing dead. Your four-flush might, for example, be up against



three-of-a-kind. You may make your flush, but your opponent may very well make a full house." (Chapter 5, pg. 44)

"Many players make a classic mistake: They know their chances of improving, let's say, with three cards to come, and they compare those chances to the pot odds they are getting right now. But such a comparison is completely off the mark since the players are going to have to put more money into the pot in future betting rounds, and they must take that money into account. It's true that the chances of making a hand improve greatly when there are two or three cards to come, but the odds you are getting from the pot worsen." (Chapter 6, pg. 49)

"Whereas implied odds are based on the possibility of winning more money in later betting rounds, reverse implied odds are based on the possibility of losing more money in later betting rounds. Put another way, when you're getting implied odds, you're glad you're not all-in, for you expect to make money on future bets if your card hits. However, when you're getting reverse implied odds, you wish you were all-in so you could see the hand to the end without having to call future bets." (Chapter 7, pg. 61)

"Another criterion for deciding how to play a hand is the size of the pot. As the pot grows larger and larger, it becomes less and less important to disguise your hand because good players are not likely to fold any more than bad players are. Nor will good players try to bluff as much when you show weakness, because they too recognize that the pot is so big there is almost no chance you will fold. So when the pot has become large, you usually no longer have to think about using deception." (Chapter 8, pg. 66)

"The basic concept set forth in this chapter is a simple one. When the pot is big, you want to win it right away. To try to win it right away, you should bet and raise as much as possible, hoping to drive everybody out, but at least reducing the opposition. You should bet and raise with the best hand, and you should frequently do the same even with a hand you think maybe second best. The fewer opponents you have in a pot, the greater your chances of winning it, even if those chances are less than 50 percent; and when the pot gets large, winning it should be your foremost concern." (Chapter 9, pg. 77)

"When you're trying to decide whether or not to bet your hand and worry about making a mistake, you should keep in mind one very important principle - a mistake that costs you the pot is a catastrophe, especially if the pot has become relatively large, while a mistake that costs you one bet is not. When in doubt, make sure you don't make a mistake that costs you the pot. Checking and giving an opponent with a worse hand a free card may cost you the pot when he outdraws you. However, betting and getting called by a better hand costs you at most just that one bet. Thus, the only time to give free cards with the probable best hand is when your hand is so strong it is in little danger of being outdrawn and your deception sets up the likelihood of larger profits in future bets in comparison to what is currently in the pot." (Chapter 10, pg. 89)

"The semi-bluff is one of the least understood tools of poker, yet it is a very valuable and potent weapon. All professional players use it, and it may be used in any game. It may



be a bet, a raise, or even a check-raise. Essentially you are representing a bigger hand than you actually have; however, in contrast to a pure bluff, your hand must have some chances of improving to the best hand." (Chapter 11, pg. 91)

"Semi-bluffs can be much more varied and often more complex than simply betting on the come. They can range from almost pure bluffs, when your hand has little chance of catching up if your bet is called, to a bet with a hand that may possibly be the best hand. In the first case, you have to think you have almost as good a chance of getting away with the bluff as you would with a pure bluff, taking into account the pot odds you're getting. In the second case, when you may in fact have the best hand, it is essential to bet to keep from giving a worse hand a free card. Betting is particularly important when you're in first position, in which case you should apply the following rule: If your hand is worth a call or almost worth a call when someone else bets, it is better to bet yourself, especially when you have little fear of a raise and when there is some chance you will win right there by making your opponent fold." (Chapter 11, pg. 93)

"When someone bets or raises but may be semi-bluffing, your decision is one of the trickiest in poker. You must choose whether to fold; raise; reraise; call and bet on the next round; call and check-raise on the next round; call and then check and call on the next round; or call and fold on the next round if the card your opponent catches would make the hand with which he might have been semi-bluffing. Making the correct decision consistently separates the true champion from the merely good player." (Chapter 12, pg. 119)

"Some players are wary of raising, especially in situations like the one just describe. However, raising should not be a rare play in your arsenal. Whether to get more money in the pot, to drive players out, to semi-bluff, or for any other reason, you should not hesitate to raise when strategic, financial, or mathematical considerations demand it. Furthermore, raising may often be the best alternative to folding, while calling is altogether incorrect. A lot of average players find this concept hard to believe, yet as we have seen, it is indisputably true. It further emphasizes the adage that a caller in poker is a loser in poker." (Chapter 13, pg. 136)

"Not allowing check-raising in your home game is something like not allowing, say, the hit and run in a baseball game or the option pass in a football game. Without it poker loses a significant portion of its strategy, which, apart from winning money, is what makes the game fun. I'm much more willing to congratulate an opponent for rapping me in a check-raise than for drawing out on me on a call he shouldn't have made in the first place - and if I am angry at anyone, it is at myself for falling into the trap." (Chapter 14, pg. 138)

"Slowplaying is an extremely effective way to get good value for your strong hands, but since you are giving weaker hands free or cheap cards, you must slowplay with caution. You must have a very strong hand. You shouldn't slowplay when your strength is



obvious or when the pot is large. Nor should you slowplay when a cheap or free card has a fair chance of giving an opponent a better hand than your or a justifiable raw." (Chapter 15, pg. 146)

"Which brings us to a second consideration in deciding how loose or tight to play - namely, the way in which the other layers in the game play. Assuming a normal ante - about 10 percent of the average future bets - it is commonly believed that when the players in the game play loose, you should play tight, and when the players in the game play tight, you should play looses. There is some truth to this principle." (Chapter 16, pg. 149)

"Scrap the general notion that you play tight in a loose game and loose in a tight game and use the following guidelines instead. In a loose game you must tighten up on your bluffs and semi-bluffs, but loosen up on your legitimate hands. You bluff less, but you bet for value more. You also call with more hands and play more drawing hands. In a tight game you loosen up on your bluffs and semi-bluffs, but you must tighten up your legitimate hand requirements. You bluff more, but you bet for value less. You also call less and give up more quickly with drawing hands." (Chapter 16, pf. 152)

"Position is more important in some games than in others; it is particularly critical in hold'em and in five-card draw and draw lowball. However, in all poker games it is far better to be last to act, primarily because it is generally easier to decide what to do after you have seen what any of your opponents are going to do." (Chapter 17, pg. 155)

"Bluffs are another tool of the well-rounded poker player. In my opinion, they should show a long-run profit the same as any other poker play. Even if you get caught only occasionally, you can still expect to get paid off when you do have a hand." (Chapter 18, pg. 177)

"This is optimum bluffing strategy - it makes no difference how your opponent plays. We can say, then, that if you come up with a bluffing strategy that makes our opponent do equally badly no matter how he plays, then you have an optimum strategy. And this optimum strategy is to bluff in such a way that the odds against your bluffing are identical to the odds your opponent is getting from the pot. In the situation we have been discussing, I had 18 good cards, and when I bet by \$100, creating a \$300 pot, my opponent was getting 3-to-1 odds from the pot. Therefore, my optimum strategy was to bluff with six additional cards, making the odds against my bluffing 3-to-1, identical to the pot odds my opponent was getting." (Chapter 19, pf. 185)

"When using game theory to decide whether to bluff, you must first determine your chances of making you hand. You must then determine the odds your opponent is getting on that bet. Then you must randomly bluff in such a way that the odds against our bluffing are identical to your opponent's pot odds." (Chapter 19, pg. 187)





"These two principles regarding inducing and stopping bluffs should be self-evident. When you try to induce a bluff, you will always call if your opponent bets. When you try to stop a bluff, you will always fold if your opponent bets. To do otherwise is completely counterproductive, and it would be better not to try to induce or stop a bluff in the first place." (Chapter 20, pg. 192)

"You should normally induce a bluff against players who already bluff too much and stop bluffs against players who already bluff too little." (Chapter 20, pg. 198)

"Most of the concepts we have discussed up to now apply to situations in which there are more cards to come and in which there may be more than two players in the pot. However, if the war that is a poker hand continues from the struggle for the antes to the final showdown, it eventually reaches a last round of betting, most often between two players. And in this last round, after all the cards are out, you must sometimes apply concepts totally different from those that were operative in earlier betting rounds. In this chapter we will discuss these concepts. They apply to any one-winner limit game (thus excluding high-low split) when two players are heads-up on the end." (Chapter 21, pg. 199)

"The ability to read hands may be the most important weapon a poker player can have. As the Fundamental Theorem of Poker suggests, the key mistake in poker is to play your hand differently from the way you would play it if you knew what your opponent had. The more often you play your hand correctly on the basis of what your opponent has the less you give up and the more you gain. If you somehow knew that your opponent had every time, you almost couldn't lose because you would always play correctly. It follows, then, that the better you are at reading your opponents' hands, the closer you come to perfect play, and the closer you come to perfect play, the less you lose and the more you win." (Chapter 22, pg. 221)

"The psychology of poker is an extension of reading hands and using deception in the play of your own hands, and thus it is an extension of the Fundamental Theorem of Poker." (Chapter 23, pg. 243)

"Like any other gambling game, poker is a game of risks versus rewards. Any decision you make at the poker table can be thought of as a comparison of the risk involved in a particular play and the possible reward for the play. These are three questions involved in arriving at a decision: How great is the risk? How great is the reward? Is the reward great enough to justify the risk?" (Chapter 24, pg. 245)

"When you are deciding whether to play and how to play, the other players in a given game are much more significant than the structure. Rarely will the structure deter good players from sitting down, but if they look around the table and see nothing but top players, relative to their own abilities, they should probably find another game. There is an old and true adage in poker: If you look around and don't see a sucker in the game, you're it." (Chapter 25, pg. 266)



# Topics for Discussion

Exactly what is poker?

Why is the Fundamental Theory of Poker important?

In what situations does a player gain even if he bets and loses?

What is bluffing? Why is it important for a poker player to be able to bluff?

What is the difference between a full bluff and a semi-bluff? In what situation is the semi-bluff appropriate?

What is game theory? How is it used in bluffing?

What is meant by the psychology of poker?