

Funny Money

By Marvin L. Master



The publication Las Vegas Advisor, authored by Tony Curtis, refers to the non-negotiable chips give out by some casinos as "funny money." The Nevada Palace, for instance will give you \$400 in funny money in exchange for \$198 in real money. You can't cash these chips in the casino cage, they must be lost at the tables. You play each chip one time only, not counting ties. If you lose a bet, the dealer takes the chip. If you win, he also takes the chip but gives you a "real money" chip of the same denomination. Winning 50% of your bets would give you 50% of the funny money face value in real money chips. Your Nevada Palace room would then cost you nothing, even after a \$2 tip for the dealer.

Should you expect to win 50% of your funny money bets? That depends. The Las Vegas Advisor estimates a 47.5% win rate at Blackjack. I don't know how they got that number, which represents a 5% casino advantage. The actual disadvantage is about 2.5%, caused by the even money payoff for a funny money blackjack instead of the standard 3 to 2. That represents a win rate of 48.75%. The \$400 funny money would earn an expected \$195 with flat betting and merely correct play ("basic strategy"). Card counters will do better, of course, but are there other ways to improve the win rate? Yes.

Let's start with doubling down. A double down situation is always advantageous - that's why you are doubling the bet. Wouldn't it be great if you could put out enough to triple your original bet? You can, if you're playing with funny money. Using the simplistic valuation of a funny money chip at 50% of its face value, putting a real money chip out for the double down results in a total that is three times the value of the original bet - a triple down!

The same principle applies to pair splitting, but with a difference. Some pair splits represent disadvantageous situations. These are called defensive splits. You split 8-8 vs. dealer 10, not because that will give you two good hands, but because 8-8 is so very bad that two mildly bad hands are preferable. You still expect to lose, but not as much as by hitting or standing. For such defensive splits, use funny money. Offensive splits (e.g., 8-8 vs. 6), when you expect to win both hands, are another matter. Now you want to get as much money on the table as possible. Use real money for the split (and resplit) hand(s), thereby getting twice the value of the original bet on the split hand(s). Together with the double downs, real money splits should get you over the 50% win rate.

What about insurance? If you could insure with funny money and win 2 for 1 in real money, that would be a 4 for 1 payoff! (4 for 1, not 4 to 1, because the dealer would take the funny money insurance bet.) You would almost always insure at that

payoff! In fact, it would theoretically be best to use funny money for insurance only. Unfortunately, the funny money usually comes with some fine print that says "even money bets only." You must use real money for insurance, but watch out - even then you may only get even money! I got in a battle about this at Vegas World. A real money insurance bet got me an even money payoff, despite the "INSURANCE PAYS 2 TO 1" printed on the felt. How can this be legal? I don't know, but you had better ask about the payoff before insuring. "Even money bets only" is also their excuse for paying 1 for 1 on a Blackjack, despite the fact that the 3 to 2 Blackjack payoff is what makes the game close to an even money proposition in the first place.

Since real money double downs and offensive splits change the relative merits of alternative actions, some strategy changes are in order. I suspect that even some hit/stand strategy changes are affected (a tie becomes a little more attractive, since you get to save the funny money for a possible double down or split). Perhaps 12 vs. dealer 4 is a basic funny money hit, going for win, tie, or lose instead of win or lose. I'll leave these considerations to the mathematicians.

Watch out for the Vegas World deal. They will give you \$500 in funny money, plus \$100 in "slot certificates," for \$296 in real money. The slot certificates must be played on special machines, whose payoff is extremely bad. Since a Funny Money blackjack will pay only 1 for 1, you might as well play their single deck "Experto 21," in which the whole deck is dealt out and Blackjack always pays even money anyway. A counter will get great benefit from the dealing depth, but the widest bet spread tolerated is 1 to 4. The only good thing I have to say about Vegas World is that they pay a 10% bonus on horse race winnings. And I don't play the horses.

[The above casino information is somewhat out of date, since the article appeared in the March 1984 issue of Arnold Snyder's great *Blackjack Forum* magazine. However, the recommendations for playing funny money are correct. Arnold gave my original submission to a Blackjack guru, math professor Peter Griffin, for checking, who at first said it was wrong. After reconsidering, he got back to Arnold and said I was right. Just imagine how much that pleased me.]