

that will yield, over time, the greatest returns. Once again, along the way we will encounter psychological snares that influence the opponent crowd's thinking and we will practice some hands-on strategies for improved wager decisions of our own.

We begin with one essential principle from the psychology of problem solving that every horseplayer should understand: How we format the problems to be solved in life, sometimes called a problem's *frame*, shapes the way we solve them. If the problem is an empty gas tank, then the problem's frame includes a search for the nearest station and the route to get there. If the problem is to maximize the monetary outcomes of our wagers, then the way we frame our wagers on a race can influence our handicapping judgments.

Have you ever won a daily double bet with a heavy favorite in the first leg and the long shot you selected in the second, but the wager paid less than if you had waited for the second race and put the entire amount on the long shot to win? Clearly something is amiss here if the same amount of money placed on the same selections would have produced more profit. Have you ever boxed the race's favorite with a long shot only to watch that long shot win or place with another not on your ticket? It is frustrating indeed to pick the right long shot, or the right horses in the wrong order, and still not cash a ticket. Similarly, if one were to purchase 12 exacta tickets for \$24 such that several likely outcomes are covered, but the combination that hits only pays \$20.60, then one is poorly framing their wager.

To gain an appreciation of the wager framing principle, try this example: The wager should be a result of the horses you handicap to win or finish well, the contenders, plus any knowledge of the odds that tell you how large the return could