

In Memory of William W. Helman III

by J. Paul Horne, John B. Hoffmann, Bruce D. Brereton and James F. Smith



William W. Helman III died peacefully at home in Redding, CT on Saturday, June 2, 2018. A member of NABE since the early 1960s, Bill was the key investment policy officer of the venerable investment firm of Smith Barney for half a century and had a substantial influence on institutional investment managers in the U.S., Europe and Japan for decades. He joined Smith Barney in 1954 and served as a Managing Director, Senior Vice President, Chief Economist and Chair of the Investment Policy Committee until 1998. He subsequently was an investment policy advisor to Citigroup asset management for some years after the dot.com and “Enronitis” financial crisis in 2000-2002.

Bill earned a BA in economics in 1950 at Cornell University, then an MBA in 1954 after serving as an officer in the U.S. Navy’s Sixth Fleet, a tour of duty that left him with mixed views of Mediterranean economies and politics. Subsequently, Bill almost completed the PhD curriculum in economics at New York University during his early years at Smith Barney. Economic theory interested him but the underlying economic forces moving financial markets was his real passion.

Bill began as Smith Barney’s electrical and defense research analyst in 1954, so early in the pre-Silicon Valley information technology revolution that punch cards were used to input data into computers made with vacuum tubes. He was one of the first Wall Street analysts to focus on

nascent electronics companies, such as the new Texas Instruments; and he interviewed early IT titans such as Bob Noyce, who had just started Intel with the Fairchild Semiconductor assets; David Packard, founder of Hewlett Packard; and Roy Ash of Litton. He also worked with Boeing as they introduced the 707, the first intercontinental passenger jetliner.

His deep involvement in those early days of IT exploitation of scientific break-throughs made decades earlier, transistor technology being a key example, left Bill convinced there is a long gestation period between discovery of basic new scientific concepts, their practical industrial and commercial application and financial markets' appreciation of them. He was, as a result, always on the alert for new scientific concepts.

Bill's ability to analyze and conceptualize complex corporate accounts and public defense budgets and other government programs enabled him to assess where money might flow to benefit investors. This talent, together with his patience and sense of humor, made him a highly respected chairman of Smith Barney's Investment Policy Committee. Armed with his constant companions, a legal-sized yellow pad and sharp pencil (that matched his wit), he presided over the IPC's weekly meetings and ensured that practical investment policy conclusions were produced for the institutional and retail sales forces of what became one of the world's largest investment firms as it absorbed Shearson and Salomon Brothers.

Writing weekly on investment trends, speaking at research conferences, and advising institutional fund managers in the U.S. and Europe, Bill developed a predictive tool called the "Monetary Pressure Index" (MPI) which correlated the relationship between the equity market and the restrictiveness of monetary policy relative to the economy. When the dot.com and 2007-2009 financial crises led to ZIRP (Zero Interest Rate Policy) and QE (Quantitative Easing), Bill sought to reconcile his MPI theory with the consequences of the Fed's new monetary policies.

As one of the early members of the National Business Economic Issues Council (NBEIC), a decades-old group of distinguished U.S. and international business and financial economists (most of whom are NABE members), Bill was appreciated for his profound insights and analyses of the interaction between financial markets, the economy and monetary policy at NBEIC's quarterly meetings.

Bill's analyses and investment policy conclusions, proved over the years to be among the most accurate of Wall Street economists. Because of his innate modesty and forecasting integrity (exemplified, for instance, when he declined to change investment policy conclusions that occasionally ran counter to the short-term interests of the sales force), he did not benefit from wide media attention. Even today, Internet traces of his work are far fewer than more media-focused financial economists. His most significant heritage is the great respect of chief investment officers of major institutions who appreciated and sought out his analysis.

Hired by Bill as Smith Barney's international economist to be the firm's "eyes and ears", based in Paris (headquarters of the OECD and International Energy Agency), I (Paul Horne) worked directly for Bill for 25 years. As my mentor and guide to analyzing European economics, markets and politics for institutional investors on both sides of the Atlantic, Bill was remarkably curious about developments in Europe's constantly changing environment. Well before the explosion of international diversification of U.S. investments, Bill was very conscious of Europe's impact on global financial markets and importance to the U.S. – especially today.

He was highly respected in Europe. The long-time chief economist of the Bundesbank; and the chief economist of the Bank for International Settlements, both considered Bill among the most insightful U.S. economists they knew. He also guided me in interpreting his and Smith Barney's investment policies for European investment managers, most of whom insisted on meeting him in New York whenever they visited the U.S.

Bill's sharp wit, both analytical and humorous, will long be remembered by his friends. In his NBEIC bio section on past employment, he listed: United States Navy, Gas Station Attendant, Clothing salesman, Fountain Engineer, Cemetery Maintenance, Golf Course Maintenance, Knife salesman. On why he became an economist, he wrote: "Road to Riches! and/or Path to Truth! Found neither!"

Bill grew up in Greensburg, PA, was a long-time resident of Darien, CT; and in retirement enjoyed careful cultivation of his lawn, whacking golf and tennis balls, music and Gibson martinis at the Tokeneke beach club in Darien. Sailing the Long Island Sound in his "Freedom", rigged for single-handed sailing, was a special passion for many years.

Bill is survived by his wife Susan Early Helman, and his three children from his first wife, Nancy Solakian Helman (pre-deceased): William W. Helman IV, Eliza J. Kraft, and Rebecca S. Helman, step-daughter Edwina Annicelli; and seven grandchildren. Private services will be held by the family.