

# TRANSCRIPT: ART SMITH INTERVIEW

Art Smith · Executive Professor at the Global Energy Institute at the University of Houston

---

## TRANSCRIPT

An interview with Dr. Art Smith, Executive Professor at the Global Energy Institute at the University of Houston. Smith is a Class of 1971 Agricultural Economics graduate from Texas A&M and an inducted member of the Tyrus R. Timm Honor Registry.

This video was posted July 9, 2018 on the Tyrus R. Timm Registry YouTube Channel.

Please introduce yourself and tell us about your career.

Art Smith Class of '71 Aggie. My career was – after I got my undergraduate degree, I went to Texas Tech and got my masters. Spent 90 days in the mill— in the army, ended up being in Inactive Reserves. '72 to '74, I went in the, I was in the Peace Corps in El Salvador doing a project with USAID marketing of fruits and vegetables. Came back to A&M, John Nichols recruited me back to work on my PhD, but first I, was working for the Agricultural Research – Agricultural Marketing Research and Development Center or the Experiment Station. Bob Branson ran that. So was, so I worked there and did that for work full-time for one year. And then I started working on my PhD, worked under Ron Knutson. Did a, my dissertation was on milk marketing in, the – Normande, that kind of organization of that, etc. My first job after my PhD was with the Farmers Cooperative Service at the USDA in D.C. But anyways, after the USDA, I decided I didn't want to work for the government, and I actually ended up very fortunate and got a job at the Chicago Board of Trade. I was at the Board of Trade for about 18 months, I traveled probably 60 to 70 percent of the time, primarily to Houston, and around, but primarily where the energy market was at the time. So, I went to New York expecting to come back to Chicago to trade to contracts that we developed in six months to a year, but I ended up staying for ten years, not nine years in New York. First, like I said working, being an account executive for, for, for people I met in Houston, and then I actually went to work for one of my customers. This was probably '83, and we made the first forward jet fuel markets in the world that lasted 18 months. BP figured it out, competition came in, etc. So, in '87 I moved my family out to Steamboat Springs. We stayed there for 13 years and raised our kids in the mountains. I left NYMEX in '90. Still trading, and I still trade today a little bit. I'm from Central Texas, and I got back in, and I did a little investing and had some land, and I bought a small grain elevator. So, during the 90's, I ended up developing her grain, grain, grain merchandising business. I left the business, got into advising the farmers I was dealing with, at that point. And I moved to College Station, and I ran that business, had the number of – Ed Rister gave me a number of students who came and worked for me. I did that until '01 and Reliant Energy, which no longer exists – Reliant Energy gave the Mays School three million dollars to develop a training – a training center. So, I did that for three years, set up a curriculum. So, I ended up having a course in which I have speakers come and talk. I had the balance of, well – I had a theory I wanted to teach, which is how do markets work. They work on what's being delivered, where is it being delivered, when's it going to be delivered, and everything else around them. I did that an actually, and actually retired from the A&M system in '05. So, anyway since I retired from that in '14 so I've just been teaching and doing some consulting and that's been my career.

What impact has your degree from Texas A&M had on your professional career?

A&M has had a profound effect. You know, I was in the Corps and there's, there's still nine of us that get together two or three times a year. You know, so you have that relationship. Undergraduate got me into graduate school, kept me out of Vietnam. But I pick my interest in markets and that's why when the owner – also I have had an interest in learning another language and which – in the Peace Corps. Came back and got in the niche I wanted to be in, which is marketing research and development. So – and then when I was doing that, we went

Dr. Art Smith | Transcript

Tyrus R. Timm Honor Registry | Department of Agricultural Economics | Texas A&M University

through, in the three years I was there we probably looked at 10 or 15 different commodities and that's where the gelling came about, about how to look at markets, and being in the markets, gellity of other understanding. So, I'm one of the few economists – I'm probably one of the few economists that teaches everywhere that can slap Adam Smith's, you know, invisible hand. Well, it's been profound.

What has been the biggest challenge in your career, and how have you faced it?

I guess, I mean I've, I've got, I can't say I've had any, I have always had to adapt, but that's part of, you know, learning a new system, learning a new place to live, whatever. I've had some great challenges but there's been more of solving problems and that's what I love to do. So, I, you know, I've love problems to solve, no matter what it is. And I use the tools in which I, you know, I acquired through my education and experiences, etc.

What is your proudest accomplishment withing your career?

My family, you know, you have to, you know – I was able to take my kids and raise them somewhere I would have liked to have been raised, which is in the Mountains of Colorado. And, you know, a circle of Board of Governors at NYMEX at critical point in time was, was, was great. And, you know, I've got – I would say that's probably the big things.

What kind of goals do you continue to set, and how do they help you to grow?

So, you know, being market research, whatever, I try and just point my career not to be irrelevant. So, that basically says I have to stay on top of what's going on, and so far, so good in the energy markets. I still trade a little bit, so I'm active, if nothing else, watching the markets, and you can discuss that. So, I just want to stay relevant, you know, as you get older, that's what you work – I mean, how much longer can I do this? Ten years, maybe.

How do you balance your career with your family life?

Well, I mean, you have to give and, you know, like me, I was on the Board of Trade, traveling 60% of time. That was tough, but I think eventually moving to Colorado, you know, I didn't want my children being raised in New York, nothing wrong, nothing wrong with New York but. So, they were raised there, and you just balance, you just balance what you have to do.

What advice do you have for Agricultural Economics students who are about to graduate and start their careers?

Follow your nose. But, don't, one – you're not entitled. Ask questions, understand what's going on. Try to find out what you learned in.

Dr. Art Smith | Transcript  
Tyus R. Timm Honor Registry | Department of Agricultural Economics | Texas A&M University

Is there anything else would you like to add?

--

Congratulations, Art!

Dr. Art Smith | Transcript  
Tyus R. Timm Honor Registry | Department of Agricultural Economics | Texas A&M University

Transcribed by  
Molly Luhrs  
July 28, 2020