PROMOTION RECOMMENDATION
The University of Michigan
College of Literature, Science, and the Arts

Lutz Kilian, associate professor of economics, with tenure, College of Literature, Science, and the Arts, is recommended for promotion to professor of economics, with tenure, College of Literature, Science, and the Arts.

Academic Degrees:
Ph.D. 1996 University of Pennsylvania
M.A. 1993 University of Pennsylvania
Vordiplom 1986 Justus-Liebig-Universitat Giessen

Professional Record:
2002 – present Associate Professor, Department of Economics, University of Michigan
1996 – 2002 Assistant Professor, Department of Economics, University of Michigan

Summary of Evaluation:
Teaching – Professor Kilian plays a critical role in shaping the teaching agenda in econometrics at Michigan. He is also an important contributor to graduate teaching and advising. Most of his teaching is at the doctoral level. He has served on a large number of dissertations, both as co-chair and as a cognate member for students outside of the Department of Economics. Students respect his thoroughness and his organization.

Research – Professor Kilian has accumulated an impressive research record. Since his last promotion he has fifteen articles in print or forthcoming, and he has nine working papers in progress or under submission. His recent work has continued in the vein of developing more precise measures of assessing the goodness of fit of models and evaluating the success of models in predicting variables out of sample. He has further developed his work on oil price fluctuations and their impact on the macroeconomy, publishing papers on the magnitude of shocks to the supply of oil, how those shocks manifest themselves in prices, and how changes in prices work their way through the economy. Professor Kilian is developing into a leading authority on the macroeconomics implications of changes in oil prices.

Recent and Significant Publications:
Service – Professor Kilian has served as associate chair of the Economics Department, a large and complex unit, since 2003. He was a member of the committee that evaluated and recommended changes to the first-year Ph.D. curriculum and served on the Executive Committee, the Undergraduate Program Committee, the Computing Committee, and the Research Seminar in Quantitative Economics (RSQE) Search Committee. He has been co-organizer of the annual Econometrics Seminar since 2002.

External Review:
Reviewer (A)
"To me, Lutz is a rare example of a scholar [of his generation] who can combine technical excellence with a practical sense of applications within the macroeconomic arena. This is slowly becoming a rare commodity... ...I strongly support the promotion of Lutz Kilian to Full Professor. He is a serious and prolific scholar, a superb judge of quality and potential as an Associate Editor, and he produces policy relevant research papers of high visibility."

Reviewer (B)
"Lutz has continued to build and expand on the research record that earned him promotion to Associate Professor with tenure five years ago. ... He shows no signs of slowing down, and if anything, some of his more recent papers might be among his best and in turn most influential."

Reviewer (C)
"I hold Lutz in very high regard. I think he has been quite successful, especially in recent years, at combining two different strands of research: one is more methodological, and closer to the econometric theory literature; the second one falls right under the label of applied macroeconomics. ...Kilian’s research record and prospects are sufficient to warrant his promotion to the rank of full professor in your Department."

Reviewer (D)
"Kilian is obviously a prolific researcher, and more importantly, someone whose typical paper has significant impact. That combination makes this quite an easy call for promotion. ... In his second major specialty of energy economics, a graduate reading list on the topic of the macroeconomic consequences of energy shocks...would need to include over a half dozen of Kilian’s papers."

Reviewer (E)
"...this promotion is a very good idea. Lutz has already had a big impact on the field and is likely to have an even bigger one as time goes on."

Reviewer (F)
"Kilian’s most important post-tenure work is his work on oil shocks and macroeconomy. This work develops a new time series on world oil supply shortfalls associated with political events such as wars, embargoes, and so forth. ... Based on the oil price work alone, the case for promotion is clear and positive. Add to this Kilian’s other work in econometric theory and the case is overwhelming."
Reviewer (G)
"In terms of macro-econometrics I feel that Lutz would be in the top handful of people of his cohort. His methodological papers have provided original perspectives on a number of issues... I would be very happy to have him as a colleague."

Summary of Recommendation:
Professor Kilian is an outstanding researcher who has made significant contributions in his field. He has been a valued teacher and has done outstanding service. The Executive Committee of the College of Literature, Science, and the Arts and I recommend that Associate Professor Lutz Kilian be promoted to the rank of professor of economics, with tenure, in the College of Literature, Science, and the Arts.

Terence J. McDonald
Arthur F. Thurnau Professor,
Professor of History and Dean
College of Literature, Science and the Arts

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