

Euro Area Business Cycle Network Training School

Oil and the Macroeconomy

By

Lutz Kilian
(University of Michigan and CEPR)

Hosted by: European University Institute, Florence

28-30 May 2018

Deadline: 6pm (UK time), Wednesday 28 February 2018

General Description

We are pleased to announce details of the latest EABCN Training School; a three-day course entitled “Oil and the Macroeconomy”. Professor **Lutz Kilian** will teach the course. It is primarily aimed at participants in the Euro Area Business Cycle Network but applications will also be considered from doctoral students, post-doctoral researchers and economists working in central banks and government institutions outside of the network, as well as commercial organisations (fees applicable for non-network organisations).

Course Contents

The course will cover the determination of the price of oil in global markets and the relationship between the price of oil and the macroeconomy (inflation, growth, financial markets). Both empirical approaches and theoretical models will be discussed along with institutional background. The course will examine selected episodes such as the surges in the price of oil in the late 1970s and mid-2000s, the spikes in the price of oil in 1973/74 and 1990/91, as well as the oil price declines of 1986 and 2014-16. It will also discuss optimal monetary policy responses to oil price shocks and the possible role of asymmetries in the transmission of oil price shocks as well as implications of the shale oil revolution in the United States.

Participants are expected to be familiar with the foundations of modern macroeconomics and time series econometrics including structural VAR modeling.

The program will include:

- Determinants of historical oil price fluctuations
- How exogenous oil price shocks affect the economy: Theory
- How exogenous oil price shocks affect the economy: Empirics
- How endogenous oil price shocks affect the economy: Empirics
- The role of asymmetries and nonlinearities in the transmission of oil price shocks
- Oil prices, inflation, and monetary policy responses
- The shale oil revolution
- Case studies: The effects of lower oil prices in 1986/87 and 2014/15

How to apply:

The course will take place at the European University Institute (EUI) in Florence (Italy), in the context of the Pierre Werner Chair on the Monetary Union. Participants will be invited to make their own arrangements regarding their travel, accommodation and meals. Further information will be available to successful applicants. **Candidates should apply by sending an email with your CV details to Amanda Vincent-Rous, in the CEPR events team (avincentrous@cepr.org) by 6pm (UK time), Wednesday 28 February, 2018.**

PhD students should also send a statement that specifies the ways participating in the school will be useful for their current research (max 300 words).

About the Instructor:

Lutz Kilian is Professor of Economics at the University of Michigan, a research fellow at the CEPR, the Center for Financial Studies, CESifo, the Price Institute, and the Euro Area Business Cycle Network, a member of the research council of J.P Morgan Center of Commodities, and an officer of CEBRA. He received his Ph.D. in Economics from the University of Pennsylvania in 1996 and his M.A. in Development Banking from The American University in 1988. He joined the faculty at Michigan in 1996.

Prior to his Ph.D., he worked for the research department of the Inter-American Development Bank in Washington, DC. During 2001-03 he served as an adviser to the European Central Bank in Frankfurt/M., Germany. Professor Kilian has been a research visitor at the Federal Reserve Board, the European Central Bank, and the International Monetary Fund. He has also been a consultant for the International Monetary Fund, the Inter-American Development Bank, the World Trade Organization, the European Central Bank, the Bank of Canada, the European Parliament, and the U.S. Energy Information Administration, among others.

Professor Kilian has published over 90 articles and has been listed among the top 1% of most influential economists worldwide three years running by Thompson-Reuters. His work has appeared in leading general interest and field journals in economics and statistics. He is also the author of a recent textbook with Helmut Lütkepohl on *Structural Vector Autoregressive Analysis* (Cambridge University Press, 2017). His research interests include time series econometrics, empirical macroeconomics, and energy economics. He is one of the leading experts worldwide on oil markets.