

Timothy J. Kehoe
Career Narrative
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In 1975, I received my B.A. *summa cum laude* from Providence College, a small, Catholic, liberal arts college, with a double major in economics and mathematics. I then entered the Ph.D. program in economics at Yale on a university fellowship. At Yale, my specialties were industrial organization, international trade, macroeconomics, and mathematical economics. In the summer after my first year, I worked as a research assistant for Katsuhito Iwai doing numerical simulations for his book on inflation and unemployment. During the next two summers I worked for Herbert Scarf writing programs for new algorithms for solving integer-programming problems. I wrote my Ph.D. thesis — which was awarded Distinction — under Scarf’s supervision. The thesis used mathematical tools from differential topology to develop necessary and sufficient conditions for a general equilibrium model to have a unique equilibrium. This was the beginning of my research on the theory and application of general equilibrium models — economic models in which the interaction of consumers, producers, and (sometimes) a government determines prices, consumption levels, and production levels. Almost all of my subsequent research has dealt with general equilibrium models.

Besides Scarf, I met a number of other people while in graduate school with whom I have maintained close personal and professional relationships and who have had major impacts on my subsequent work. These include Andreu Mas-Colell — at the time a professor at Berkeley and later at Harvard and at the Universitat Pompeu Fabra and later the Minister of Economics, Universities, and Research in the Catalan government — with whom Scarf put me in contact because of his interest in topics similar to those in my thesis, and my classmates David Backus, later, until his untimely death in June 2016, a professor at NYU, and Jaime Serra-Puche, later a professor at El Colegio de Mexico and after that a major figure in the Mexican government. At Yale, I started working with Serra-Puche on applied general equilibrium models of the Mexican economy. The good fortune to be advised by Scarf and Mas-Colell allowed me to finish my Ph.D. in what was — except for putting the finishing touches on my thesis — three years. I then stayed in the New Haven area, taking a position as Lecturer, then Assistant Professor, at Wesleyan University in 1978.

After two years at Wesleyan, I moved to a position as Assistant Professor, then Associate Professor, in the Department of Economics at the Massachusetts Institute of Technology. At MIT, mostly as a result of my interaction with graduate students such as David Levine and Michael Woodford, I began to combine my interest in general equilibrium theory with that in macroeconomics. I started a friendship and professional collaboration with Levine that has lasted more than forty years, studying the properties of dynamic general equilibrium models suitable for macroeconomic analysis. We have written and published more than twenty papers together, and a number of our papers have been influential and highly cited, including several papers that develop a general equilibrium theory of credit markets in which the ability to default limits borrowing.

While at MIT, I became a friend of Frank Hahn, who was visiting from the University of Cambridge in England. Hahn convinced me to spend the 1983–1984 academic year in Cambridge, which I did with the support of a fellowship from the Sloan Foundation. I enjoyed my time in Cambridge so much that I applied for a (tenured) position as University Lecturer. I spent the next three years in Cambridge, where I was also a Fellow of Clare College. While at Cambridge, I

continued my work with Levine on dynamic general equilibrium. We both spent the summer of 1985 with fellowships at the Mathematical Sciences Research Institute at Berkeley. There we wrote a joint paper with Mas-Colell and Woodford on gross substitutability in dynamic economies with infinite numbers of consumers and goods and a joint paper with Mas-Colell and William Zame on determinacy of equilibrium in these sorts of economies.

Serra-Puche and I continued to do applied general equilibrium modeling as part of research projects sponsored by the Banco de México and the World Bank. While at Wesleyan and MIT, I had worked with him on building models to analyze the impact of government policies, such as the 1980 tax reform, on the Mexican economy, especially on income distribution. In 1984, Mas-Colell arranged for Serra-Puche and me to visit the Universitat Autònoma de Barcelona. This visit led to a project, initially financed by the Spanish Ministry of Economics, to analyze the impact of the tax and tariff reforms that accompanied Spain's 1986 entry into what was then the European Community. Besides Serra-Puche and me, the researchers on this project were three Spanish economists, Antonio Manresa, Clemente Polo, and Ferran Sancho, and a Mexican economist, Pedro Noyola, who was just finishing his thesis at Stanford working on a model of migration based on Serra-Puche's and my general equilibrium model of the Mexican economy.

Serra-Puche and Noyola had to give up the Spanish project after entering the Mexican government in 1986, but I continued. I have spent some part of every year since 1984 in Spain doing research and teaching. I have been a visiting professor at a number of Spanish universities, including three in Barcelona, the Universitat Autònoma de Barcelona, the Universitat Pompeu Fabra, and the Universitat de Barcelona. Partly as a result of my trips to Spain and Latin America, I have become fluent in Spanish and Catalan. I regularly teach classes, present seminars and public lectures, do media interviews, and publish articles in these languages. In recent years, I have also visited a number of universities and the central banks in Brazil and Portugal, and I have started to learn Portuguese. I have enjoyed giving numerous seminar presentations and public lectures throughout Spain and Latin America, and I have become very involved in academic and social affairs there: I have helped organize numerous conferences and workshops; I am an associate editor of three Spanish language journals, two published in Mexico and one in Spain; I am on the governing boards or advisory boards of a number of research institutions in Spain; I have served on evaluation panels in Mexico, Portugal, and Spain; and in 2010 I was named Miembro de Honor of the Asociación Española de Economía. In 2016, the Universitat Autònoma de Barcelona awarded me the degree *Doctor Honoris Causa*.

In 1987, I joined the faculty of the University of Minnesota as a Professor of Economics, where I have remained ever since. In 1996, I was named Distinguished McKnight University Professor. For the period 2005–2008, I was Scholar of the College in the College of Liberal Arts. In 2013 I received the Dean's Medal from the Dean of the College of Liberal Arts, an honor given to one CLA faculty member per year.

At Minnesota, I continued my collaboration with Serra-Puche and Noyola. While Serra-Puche was Secretary of Trade and Industrial Development in Mexico, from 1988 to 1994, and Noyola was Under-Secretary, I served as Special Economic Adviser. In particular, I did research advising them on trade reform in Mexico and on negotiating the North American Free Trade Agreement and similar agreements with countries in Latin America. In 1997, after Serra-Puche and Noyola left the Mexican government, I worked with them as a consultant analyzing possibilities for reforming policies related to trade and foreign investment in Panama for the Minister of Economic Planning, Guillermo Chapman. At the conclusion of this project, we presented to the President of

Panama and his cabinet a proposal for a reform. In 1998, the Panamanian government put a version of our proposal into effect.

Since starting to work with graduate students at MIT, I have supervised or co-supervised more than one hundred twenty completed Ph.D. theses, with more on the way. Supervising Ph.D. students has been one of my principal activities at Minnesota. In 1991, Edward Prescott — who won the Nobel Memorial Prize in Economic Science in 2004 — and I started a weekly workshop with our graduate students. Since Prescott left the University of Minnesota in 2003, I have continued this workshop, working first with Cristina Arellano, then with Fabrizio Perri, and now with Manuel Amador, with the help of research economists from the Federal Reserve Bank of Minneapolis. In the workshop, we have supervised the theses of more than one hundred twenty-five students, who have gone on to positions in international agencies, governments, the private sector, and, especially, academics, some of them very prominently. Our students have gone on to positions at such universities as Chicago, Michigan, Pennsylvania, NYU, Toronto, Wisconsin, and Yale, as well as many top foreign universities. A list of our students can be found at

<http://www.econ.umn.edu/~tkehoe/workshop.html>.

Since 1999, the Department of Economics at Minnesota employs a workshop system in all fields modeled after the workshop that Prescott and I started.

In addition to supervising students at Minnesota, for the past twenty-seven years, I have organized an annual workshop in dynamic macroeconomics in Vigo, Spain together with Árpád Ábrahám, Juan Carlos Conesa, Antonia Diaz, Finn Kydland, Omar Licandro, Franck Portier, José-Víctor Ríos-Rull and the macroeconomists from the Universidade de Vigo. This workshop allows young people — advanced Ph.D. students and new professors — to receive intense feedback on their research from senior economists. Participants come from all over, but predominantly from France, Italy, Portugal, and Spain. Former junior participants in our workshop frequently credit us for the help that we have given them in their subsequent publications. There is an active community of former Vigo workshop participants, and our workshop has inspired a number of workshops of the same sort. There are now workshops in Belgium, Germany, Italy, and Norway, for example, whose organizers got the idea from participating in the Vigo workshop. In 2008, the Universidade de Vigo awarded me the degree *Doctor Honoris Causa*.

Funding for my research has been provided by a number of sources, most consistently by the National Science Foundation. Since 1982, I have received nine multi-year grants from the National Science Foundation. During 2014–2019, David Canning and David Bloom of the Harvard School of Public Health and Juan Carlos Conesa of Stony Brook University and I used a four-million-dollar grant from the National Institute on Aging to study the macroeconomic impact of reforms to the social security system and the health care system in the United States.

Over the past forty-four years, I have given hundreds of academic conference and seminar presentations. In recent years, I have found myself giving a number of public lectures and plenary presentations at conferences. I have also given many public presentations on trade reform and financial crises. These have ranged from testimony on NAFTA for a U.S. Senate subcommittee to appearances on local television and radio to newspaper and television interviews in Latin America and Spain. I gave the 2014 Ohlin Lectures at the Stockholm School of Economics. A list of these activities can be found at

<http://www.econ.umn.edu/~tkehoe/papers/cvannex.pdf>.

From 1998 through 2007, I was an editor of the *Review of Economic Dynamics*. From 2008 through 2013, I was a co-editor of the *Journal of International Economics*. Currently, I am co-editor of *Economic Theory*, the *Economic Theory Bulletin*, and the Springer Studies in Economic Theory, as well as being on the editorial boards of ten other journals. For many years, I served on the board of economists of the *Star Tribune*, a Minnesota newspaper. I have been a member of external review committees at the Barcelona School of Economics, Boston University, El Colegio de México, Indiana University, the Universitat Pompeu Fabra, and the University of Wisconsin-Milwaukee. During 2008–2009 I spent a total of three weeks doing site visits and evaluations of all of the academic research centers in economics and management in Portugal. I also have been organizer or co-organizer of numerous conferences and workshops, including three major conferences: the 1998 Meeting of the Society for Economic Dynamics, the 2007 North American Winter Meeting of the Econometric Society, and the 2014 North American Summer Meeting of the Econometric Society.

In 1991 I was elected Fellow of the Econometric Society, the major international association in technical economics, and, during 2008–2015, I was the Econometric Society Representative to the Allied Social Science Associations Allocation Committee. In 2011, I was elected one of the first Economic Theory Fellows of the Society for Advancement of Economic Theory. From 2011 to 2014, I was the Chair of the Society’s Fellowship Committee and, since 2019 a member of the committee. In 2014, I was elected to a three-year term during 2015–2018 as President of the Society for Economic Dynamics, and, in 2017, I was elected to a one-year term in 2019 as President of the Society for the Advancement of Economic Theory.

I have been fortunate to be able to teach and do research in economics, a subject about which I am passionate, and fortunate to have worked with exceptionally good teachers, collaborators, and students — most of whom have also become close friends.