

# Stephen Hennessy

PhD Candidate · Department of Economics  
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## Personal Information

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Citizenship: Canada

## Education

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<b>McMaster University</b>	Hamilton, ON
PhD Economics	2026 (Expected)
Co-supervisors: Gajendran Raveendranathan & Zachary L. Mahone	
Committee members: Bettina Brüggemann & Angela Zheng	
MA Economics	2020
<b>Saint Mary's University</b>	Halifax, NS
BComm, Honours Economics and Finance	2019

## Research

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### Job Market Paper

Moving Home: Non-Market Housing and Labour Market Risk

In 2023, more than half of renter households spent above 30% of their gross income on housing costs. Non-discretionary spending such as housing exacerbates consumption losses while unemployed and induces self-insurance via moving home with a close family member. This labour market insurance motive is evidenced in Kaplan (2012) which shows non-college young men aged 17-22 use the option to move home with a parent as a form of labour market insurance. I use data from the Health and Retirement Study to show this channel of labour market insurance is operative for all children into middle age. Further, I estimate a structural lifecycle model of individuals who can insure against unemployment risk via saving or moving home. Consumers choose a submarket within a directed search framework which further influences their unemployment risk. I find that for the average worker the option to move home is equivalent in welfare terms to a tripling of the unemployment insurance benefit.

### Working Paper

Parental Altruism and Transfers

This paper investigates the determinants of financial transfers from parents to adult children, with a focus on reconciling a key empirical puzzle: conditional on receipt, parental transfers are increasing in child income, a pattern inconsistent with typical models of intergenerational consumption smoothing. Using microdata from the Health and Retirement Study (1998–2018), I document robust patterns in the extensive and intensive margins of transfers with respect to child incomes. I show that while the likelihood of receiving a transfer declines with child income, the size of transfers rises with child income for most parent income groups. I develop a static model of parental altruism to highlight the tension between two mechanisms: altruistic parents reduce transfers as children become richer, but wealthier parents—whose children are also likely to have higher incomes give larger transfers. Allowing for heterogeneity in parental altruism allows the model to match both extensive margin and the average transfer, but cannot reproduce the positive relationship of the intensive margin with respect to child income.

**Research interests:** Quantitative macroeconomics, parental altruism, non-market insurance

## Skills and Languages

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Fortran, Julia, MATLAB, Stata, R, LaTeX

## Employment

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### **Research Assistant**

Professor Michael Veall

Fall 2021 – Spring 2024  
Productivity Partnership

### **Teaching Assistant**

Environmental Economics

Spring 2024

Methods of Inquiry in Economics

Fall 2023

Public Sector Economics: Taxation

Winter 2023

Introduction to Macroeconomics

Winter & Summer 2021

## Conference Presentations

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<b>Canadian Economics Association,</b> 59 <sup>th</sup> Meeting, Montreal	2025
58 <sup>th</sup> Meeting, Toronto	2024
57 <sup>th</sup> Meeting, Winnipeg	2023

## Awards

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Departmental Scholarship, McMaster University	2019 – 2023
Ontario Graduate Scholarship	2019

## Further Work Experience

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<b>Research Assistant</b>	2019
Department of Marketing	
Sobey School of Business, Saint Mary's University	
<b>Summer Associate</b>	2018
Surveillance Strategies and Optimization	
TD Bank Financial Group, Global Anti-Money Laundering	
<b>Research Associate</b>	2018
Financial Sector	
Sobey School of Business IMPACT Fund	

## References

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Gajendran Raveendranathan Associate Professor (Co-supervisor) raveeg1@mcmaster.ca	Department of Economics McMaster University
Zachary L. Mahone Assistant Professor (Co-supervisor) mahonez@mcmaster.ca	Department of Economics McMaster University
Bettina Brüggemann Associate Professor bruggeb@mcmaster.ca	Department of Economics McMaster University
<b>Placement Director</b> Chris Muris Associate Professor muerisc@mcmaster.ca	Department of Economics McMaster University