

# Mian Liu

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## Education

Ph.D. in Finance, HEC Paris, 2021–2027 (expected)

MRes. in Management, HEC Paris, 2023

MSc. in Finance and Economics (with Distinction), London School of Economics, 2020–2021

BSc. in Statistics, Shanghai University of Finance and Economics, 2016–2020

## Research Fields

Corporate Finance, Credit Markets, Macro-Finance

## Working Papers

*The Fading Tripwire: Theory and Structural Estimates of Creditor Control Rights* (job market paper)

*Abstract:* This paper explains and quantifies the secular decline of financial covenants in private debt markets. Using a panel of U.S. syndicated loans from 1996 to 2023, I document that the annual incidence of covenant violations declines from 20% to below 5% over two decades, while the creditor intervention rate following a violation rises from 40% to over 70%. Crucially, this decline is accompanied by a reallocation across the micro-channels of creditor control: managerial discipline has weakened considerably while investment conservatism have become more important. I develop a micro-founded optimal contracting model that endogenizes covenant design through moral hazard, endogenous signal acquisition, and the contingent allocation of control rights. I structurally estimate the model using the Simulated Method of Moments, targeting causally identified moments from the reduced-form literature. The estimates reveal three forces behind the secular decline: a moderate easing of moral hazard frictions, improved signal informativeness, and a shift in the relative importance of the micro-mechanisms of creditor intervention. Together, these shifts characterize financial covenants as a fading tripwire: an alarm mechanism that is increasingly rarely set and functioning differently when triggered.

## Work in Progress

*The Loan Renegotiation Channel of Quantitative Easing* (with Lin Xie)

*Contracting Informativeness and the Financial Accelerator*

## Awards and Fellowships

FIRS - JFI 2026 Best Student Paper Award

École Universitaire de Recherche (EUR) Research Grant, IP Paris, 2025, 2026

Macro Finance Research Program Travel Grant, 2024

HEC Foundation Doctoral Scholarship, HEC Paris, 2021-2026

Outstanding Graduate, Shanghai University of Finance and Economics, 2020

## Seminars and Conferences

**2026:** 10th HEC Paris Finance PhD Workshop, EFA-Doctoral Tutorial, FIRS, HEC Paris

**2025 and Prior:** HEC Paris, Macro Finance Research Program (MFR) - Poster

## Professional service

**HEC Paris:** 8th HEC Paris Finance PhD Workshop co-organizer (2024)

## Teaching

### *At HEC Paris*

Financial Economics (Master), Course Instructor, Fall 2023

Financial Economics (Master), Tutorial Instructor, Fall 2022

## Other Experience

Assistant of Academic Affairs, Shanghai University of Finance and Economics, 2019

## Technical Skills

Programming: MATLAB, Mathematica, R, Julia,  $\text{\LaTeX}$

Languages: Chinese, English, French (intermediate)

## References

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Updated: June 2026