



The reverse brain drain

August 12th, 2008 - by Nazia Vasi
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For years, young, talented, well educated individuals left India, China, Dubai and Hong Kong to pursue better, more rewarding careers in the west. However, now as the economies in the west stagnate, the children of this same highly educated talent pool are casting their eyes east, back home - to lands of high growth, opportunity and adventure.

A tightening American economy, Wall Street troubles and price increases are enticing many managers to transfer from traditional financial centers like New York and London to increasingly influential hubs of finance in Asia, the MiddleEast, Europe and Latin America, regions where the banks have already been building up business to tap rising growth potential. For many bankers, moving abroad is an experience they had always wanted, the [International herald tribune](#) reported. For the banks, the relocations are a way to retain skilled workers who might otherwise be caught in waves of layoffs that have already claimed 80,000 finance jobs globally.

“Banks like Morgan Stanley and Merrill Lynch are playing musical chairs,” said Gustavo Dolfino, president of the WhiteRock Group, a finance hiring firm. “Why are they doing this? They want to keep the talent.” Relocating workers, while expensive, makes sense as record revenues are flowing in from places other than Wall Street.

The acceleration can be seen among senior employees at Morgan Stanley. In the first six months of 2007, only 10 of Morgan Stanley’s managing directors were transferred to countries other than the United States. That figure has more than tripled — to 33 — this year, as executives like Stephen Roach relocated to Hong Kong to become chairman of the bank’s Asia operations, along with Owen Thomas, who moved there from New York as chief executive. In addition, five senior Morgan executives were sent to Dubai from London.

2 Recent high-profile transfers at Goldman include Ravi Sinha, an investment banker who moved to Hong Kong from New York to become the co-head of investment banking for much of Asia; Alasdair Warren, a banker who moved to Dubai from London as the head of financing for the Middle East and Africa; and Valentino Carlotti, who moved to São Paulo from New York to become president of Goldman Sachs’s bank in Brazil. Companies are also beginning to hire more local staff in developing countries.

[The International Herald Tribune](#) continued to say - JPMorgan Chase, which acquired Bear Stearns when it nearly collapsed in March, is continuing to hire overseas even as it whittles its New York base. For example, the commodities trading group has hired 126 people in the last year, of which 85 are based abroad in markets like Singapore and Hong Kong.

In the last six months, Merrill Lynch recruited a team of bankers from Brazil for that office. Credit Suisse plans to double its investment banking and private banking staff in India over the next year and moved its global head of financial institutions to Hong Kong from New York this summer.