

## Leaving Wall Street for a Job Overseas

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Moving boxes have become a common sight at Wall Street firms, where tens of thousands of bankers and traders have been laid off as the credit squeeze drags on. But a few of the people packing up and saying goodbye are holding passports rather than pink slips. And some are being told to move abroad — or else.

As Wall Street's troubles deepen, big investment banks are moving some key employees to increasingly influential hubs of finance in Asia, the Middle East, Europe and Latin America, regions where the banks had already been building up business to tap rising growth potential.

This trend is happening alongside another that is funneling jobs from traditional financial centers like New York and London. Because of price pressure, jobs lower down the corporate ladder are moving overseas, especially India.

For many bankers, moving abroad is an experience they had always wanted. 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 G. 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. For a number of bankers, though, the moves are less voluntary.

**“Some are being told, ‘I don’t care if your wife has to stay here, this is what you have to do,’ ” Mr. Dolfino said.**

Banks release only global redundancy figures, so it is difficult to quantify how many Wall Street positions have moved elsewhere, and New York City figures on finance employment lag behind the companies' announcements.

Yet as options narrow, even some laid-off workers who were not offered a transfer are beginning to take calls from financial companies with operations abroad, recruiters say. “I’ve spoken to people who three or four years ago literally refused to relocate. Now they’re open to moving,” said Jeanne Branthover, head of the global financial services practice at Boyden Worldwide, a recruiting firm. “They do not see growth or change in this market in the near future.”

Recent activity at Ms. Branthover's company is telling. Boyden's revenue from placing people in finance jobs was about flat, globally, in the first quarter. But its placement revenue in Russia was up 73 percent, and in China and Dubai, they were each up more than 300 percent. In New York, where the market is nearly frozen, revenue from finance job placements was down 24 percent.

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 past everything was done out of New York, and that was the place to be," said Nicolas Aguzin, head of investment banking for JPMorgan in Latin America, which has added bankers in Brazil, Mexico and Colombia over the last year. "But now everyone has decided to go local and to go quite aggressively."

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.

"People understand that this is important. It's clear that growing our franchises in key emerging markets is an important strategic priority," said Charlie Stewart, who moved to São Paulo this summer to run investment banking for Morgan Stanley in Latin America. "It's not like you're being shipped off."

On top of the foreign transfers, banks are also hiring locally. In the last six months, Merrill Lynch recruited a team of bankers from Brazil for that office. JPMorgan Chase has hired in the Middle East and Asia.

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.

And the longer foreign markets outperform developed economies, managers say, the more permanent the shift in power may become.

"Pools of capital will move to where the industry sees an expansion of opportunities," said Edith Cooper, head of human management at Goldman Sachs.

Ms. Cooper travels regularly to Goldman's foreign offices, and she says the anxiety felt by international employees matches the fear in New York. But she says she reassures them that

Goldman is committed to its global growth strategy. In the last few months, dozens of Goldman bankers have been offered the option to move abroad, under varying degrees of pressure.

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.

"I don't know whether it's as much, 'There's not enough to do here, so we'll go somewhere else,' " Ms. Cooper said. "Rather it's more of a reflection of our clients and the growing businesses in China, India and Middle East."

The shift is also changing the concept of being an expatriate employee from a temporary jaunt to one that might be more permanent, Ms. Cooper said.

Sheila Patel, Goldman's head of equities for Southeast Asia, moved to Singapore from New York in May, even though her division was not stagnating.

"Is there a set time that I expect to be in Asia?" Ms. Patel said. "Not really. I could see spending my whole career here."

Ms. Patel's move around the world in a sense reverses a decision her father made in the 1960s to move from India to the United States, where he married an Irish-American.

"Every generation searches out its opportunity set and looks for growth," Ms. Patel said.

"Nobody thinks of somebody moving to New York as an expatriate. Somehow in other global cities, there's been this concept."