

## Saudi ties entangle Laurene Powell Jobs' Emerson Collective

Jamal Khashoggi's disappearance has become a litmus test for business leaders, but some ties are more nuanced and perhaps more complicated.

 Image: Laurene Powell Jobs

Emerson Collective Founder and President Laurene Powell Jobs speaks onstage during TechCrunch Disrupt SF 2017 at Pier 48 on Sept. 20, 2017 in San Francisco, California. Steve Jennings

Jamal Khashoggi's disappearance has become a litmus test for business leaders.

The allegation that Khashoggi, a Saudi journalist who wrote for The Washington Post, was brutally murdered at the hands of Saudi officials has forced executives to reckon with their ties to the Arab kingdom. Some, like Virgin Group founder Richard Branson, have [suspended business dealings](#) there. Several, including JPMorgan CEO Jamie Dimon, have [backed out of the high-profile Future Investment Initiative conference](#) in Riyadh.

For others, like Laurene Powell Jobs, the founder of the powerful philanthropic investment group Emerson Collective, which [owns a majority stake](#) in The Atlantic, the ties are more nuanced — and perhaps more complicated.

Powell Jobs does not have business dealings with Saudi Arabia. She was never scheduled to attend the Future Investment Initiative. But one of her closest aides at Emerson, Michael Klein, is a highly influential power broker for the Saudi kingdom and its U.S. investments.

Klein, a [Wall Street rainmaker](#) and former Citigroup executive, is a [managing partner at Emerson](#) and helps manage the company's business, which includes investments in a variety of media properties such as Axios and OZY Media in addition to its majority stake in The Atlantic. Jeffrey Goldberg, the editor-in-chief of The Atlantic, declined to comment.

Klein, who runs his own boutique investing firm, M. Klein & Company, is also a top adviser to the [Saudi kingdom's Public Investment Fund](#) and a key conduit between Saudi Arabia and the U.S. business community, according to multiple people who know him and are familiar with his business. They asked not to be identified so as not to jeopardize their relationships to Klein or Emerson.

Powell Jobs has known Klein since college, even before she met her husband Steve Jobs, the late Apple co-founder and CEO. In addition to handling business affairs for Emerson, those familiar with Klein describe him as an informal adviser to Powell Jobs.

"He's kind of the final voice in Laurene's ear," said one source with knowledge of their relationship.

A spokesperson for Emerson declined to comment on the ties.



Klein is hardly the only Wall Street powerbroker to work with Saudi Arabia. But he may be the only one to serve at an organization like Emerson. While other media organizations, including The New York Times, CNBC, Bloomberg and Financial Times, have backed out of the Future Investment Initiative due to Khashoggi's disappearance, Klein has played a key role in bringing the annual summit together. Some sources described him as the event's unofficial "organizer."

Ahead of last year's inaugural summit, Klein advised Saudi Arabia on [its \\$20 billion investment in a U.S. infrastructure fund](#) managed by Blackstone, which was one of the main draws of the first FII conference. Sources familiar with that event say Klein also helped bring business leaders and Wall Street power brokers to Riyadh that year, and was at the center of all the action.

A spokesperson for Klein declined to say whether he is still planning to attend this year's conference and said he was not an organizer of this year's event or last year's event, nor does he sit on any of this year's event advisory boards.

Klein also has a relationship with Saudi oil giant Aramco through his [advisory work for Dow Chemical](#), and sources said he advised Aramco on restructuring for a planned IPO that was [expected to be the biggest IPO in world history](#). The plan was [called off earlier this year](#) when the wealth fund decided to sell a stake of the petrochemicals maker Saudi Basic Industries Corp. to Aramco — a deal Klein was also brought in to advise on.

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For Klein, as for many bankers and business leaders, Khashoggi's disappearance forces an uncomfortable question: Whether it is acceptable to keep doing business with the Saudi kingdom if — as Turkish officials allege — the kingdom sent 15 officials into the country to kill Khashoggi and dispose of his body.

For Powell Jobs, it may force a different sort of question: Whether it is acceptable to do business with a man — a friend — even if he is working with the perpetrators of that alleged murder.

**CORRECTION** (Oct. 15, 2018, 1:12 p.m. ET): An earlier version of this article misspelled the name of the founder of Emerson Collective in the headline. She is Laurene Powell Jobs, not Lauren.