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Andrew Hoffman

WeWork: Oil Money and the Challenge of Achieving Carbon Neutrality

Linda Cook,ⁱ WeWork's newly-appointed chief communications officer, read through her draft response again as she had seemingly done a dozen times in the last hour. It was mid-October 2018 and Cook had been on the job for only a little over a year, but already she was facing a major challenge that would test her ability as a public relations professional and challenge her expertise as a businesswoman. It was Cook's responsibility to respond to a request for comment on a *New York Times* article highlighting WeWork's financial ties to Saudi Arabia.

The timing of the article was no accident. Senior leaders within Saudi Arabia had just been implicated in the brutal murder of journalist Jamal Khashoggi at the Saudi consulate in Turkey.¹ That gruesome killing and its connection to the Saudi government brought considerable attention to virtually any company doing business in or with Saudi Arabia, and WeWork was no exception. How Cook chose to respond posed many potential pitfalls. How could a company that prided itself on being progressive and sustainability-minded, publicly committed to carbon neutrality by 2023, and banned serving meat to its employees,^{2,3} justify its considerable funding from Saudi Arabia, a country with a history of human rights violations and continued proliferation of fossil fuels? The funding that WeWork received from Saudi Arabia was indirect, through the Japan-based SoftBank Vision Fund, but it was easy enough for anyone interested to connect the dots.

Cook glanced out her New York office window and wondered if and how she could justify her company's willingness to receive such funding. Should a company be held responsible for the actions of its investors or did a duty to shareholders trump such ethical questions? In January 2018, BlackRock CEO Laurence Fink announced that the \$6.3 trillion investment firm would begin considering a company's impact on the environment and society when making its investments,⁴ but realistically, could companies reject investors that they perceived as misaligned with their values? Cook refocused on her response to the *New York Times*. How she responded could make WeWork look hypocritical or worse. It could also seriously strain her

ⁱ Linda Cook is a fictional character.

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