

## Discussion Questions for “The Global Classroom” March 31, 2006

### 1. Division of roles:

- ✓ **Wharton School of Business:** AES employees in India
- ✓ **Fundacao Getulio Vargas:** AES founders/AES Ib Valley project development team in the USA
- ✓ **Universidad de Buenos Aires (UBA):** Indian Government/ local political parties
- ✓ **MIT Center:** Indian employees

### 2. Discussion Questions

#### Round I

- 1) What are the main issues at stake from your position? Why do you believe that you acted the way you did? What steps might have been taken to prevent such a situation?

*The following questions may help you focus your response.*

#### For the AES founders in US:

Would you go forward with the energy project even though you would not be able to meet your own standards for CO<sub>2</sub> emissions? Would you decentralize decision making and leave it up to the on-site team?

#### For the Indian government:

Do you believe that environmental standards should be the same for all countries? Or should developing countries be given more leeway in their efforts to industrialize?

#### For AES Employees in India:

How would a less-stringent policy on social responsibility affect your ability to complete more challenging projects? Would you go forward with the energy project?

#### For Indian employees:

How might requirements to wear hard hats and shoes on the construction site instead of traditional dress affect local cultural norms, especially in regard to female workers?

## Round II

- 2) What, in your opinion, is the “ethical” way to respond to such a situation? How should companies balance the need to make profits with environmental concerns?

*The following questions may help you focus your response.*

### For AES founders in US:

If AES’ decided to accept the lower environmental standards for their energy facility and instead decided to invest in other local projects, what do you think should be their priority?

### For the Indian government:

What do you believe is your role in helping to achieve the UN Millennium Development Goals (MDG’s)?

### For AES Employees in India:

Should more-pressing institutional deficiencies in developing countries (lack of water, healthcare, education) preempt long-term concerns for the environment?

### For Indian Employees:

Contrary to Indian labor norms where employers are expected to “take care of” their employees, AES arranged for its Indian employees to own their own homes on the premise that this would lead to increased “self-respect” and better maintenance. How might this decision affect your daily lives?