Risk and Rice

How entrepreneurs build businesses and affect an economy

SS7E9.e "Describe the role of entrepreneurship."

NAME ______________________ DATE ____________

1 READ AND MARK

Read it twice

YOUR JOB Underline actions Sari takes as an entrepreneur. Circle details that show how entrepreneurship can affect workers, customers, or the economy.

A Rice Business in Indonesia

1 In Indonesia, an entrepreneur is a person who starts and manages a business. Entrepreneurs notice needs or problems and offer a product or service to solve them. For example, Sari saw that rice farmers near her town had trouble reaching city buyers. She started a small business that collects rice, checks its quality, and delivers it to stores. Sari made choices about prices, transportation, and workers. She also accepted the risk that costs could rise or customers might buy less rice.

2 Her business can help several groups. Farmers gain another way to sell their harvest, and city stores receive rice more regularly. Sari hires drivers and workers to sort and pack rice, so entrepreneurship can create jobs. If the business earns more than it spends, Sari can reinvest some profit in a larger truck or better storage. This growth may allow her to serve more customers. However, a business does not guarantee success. Entrepreneurs must respond to competition, changing demand, and unexpected expenses.

3 Entrepreneurship plays a role in an economy because new businesses connect resources, workers, and customers. An entrepreneur may use local materials, such as rice, and combine them with labor and transportation to provide a service. Successful businesses can increase the variety of goods and services available to consumers. They may also encourage other businesses to improve prices or quality. Governments do not need to run every business, but they can support entrepreneurship by enforcing fair rules, protecting property, and maintaining roads. The entrepreneur still makes the business decisions and carries much of the risk.

2 ANSWER WITH EVIDENCE

Use the passage

1. What problem did Sari identify, and how did her business address it?

2. How does Sari's business create jobs?

3. What could Sari do with profit, and how could that choice affect customers?

4. According to the passage, what can a government do to support entrepreneurship, and what does the entrepreneur still do?

3 YOUR TURN

Your own words

Imagine you are an entrepreneur in a community in Vietnam. Write four sentences that name a need, describe your business, explain one benefit to people or the economy, and identify one risk you would accept.

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PART 1 · READ AND MARK

Underline actions Sari takes as an entrepreneur. Circle details that show how entrepreneurship can affect workers, customers, or the economy. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	What problem did Sari identify, and how did her business address it?	**She saw that nearby rice farmers had trouble reaching city buyers. Her business collected and checked rice, then delivered it to stores.**
2	How does Sari's business create jobs?	**She hires drivers and workers to sort and pack rice.**
3	What could Sari do with profit, and how could that choice affect customers?	**She could reinvest profit in a larger truck or better storage, which could help her serve more customers.**
4	According to the passage, what can a government do to support entrepreneurship, and what does the entrepreneur still do?	**A government can enforce fair rules, protect property, and maintain roads. The entrepreneur makes business decisions and carries much of the risk.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

I would start a bicycle repair service near a busy market in Vietnam. The service would help shoppers and delivery workers keep their bicycles safe and usable. I would hire one trained mechanic, creating a job and helping customers travel more easily. I would risk losing money if too few customers needed repairs.

Accept responses that clearly identify a need, a business solution, a benefit such as a job or improved service, and a realistic business risk. Wording and business ideas may vary.