**Entrepreneurship in the 1780s**

**Introduction**

Today, in places like Silicon Valley, venture capitalists are looking for new products to invest in, hoping that these small websites and apps will be hugely successful and become the next Facebook or Twitter. These people have money that has been invested from people from around the world and they hope that by helping to fund a small project, it will eventually pay off and earn them huge dividends. If they are successful enough, these relatively small investments can make them billions of dollars. Think about the developers behind Facebook, Instagram, Twitter, and even Google. These were small projects that essentially took over the world.

Similarly, during the Industrial Revolution, everyone wanted to be on the ground floor of the next big product or idea that would transform the way people worked or lived. Many entrepreneurs or people who take risks to start new businesses, invested money in risky ventures hoping to make it rich. If they were successful, they would become rich. If they failed, they would fall into poverty. They had to evaluate the risks involved in their potential projects and invest wisely. In many ways, we are living in a new type of Industrial Revolution. Examine the industrial Revolution, therefore, can teach us a lot about the times in which we are living.

**Assignment instructions**

Imagine an investor in Great Britain in the late 1700s. This individual has come into a large sum of money and has decided to invest it. If this were you, what industrial sector would you choose to invest in?

1. Read the information provided in the student information sheets on entrepreneurship.

2. Once you have finished reading, selected which sector you think this individual should invest his or her capital. Each sector has potential risks and benefits. Consider which has the best risks and benefits in both short term and the long term. You can use a chart like this to assess your risks.

|  |  |  |
| --- | --- | --- |
| Sector: | | |
|  | Short Term | Long Term |
| Risks: |  |  |
| Benefits: |  |  |

Try to identity as many risks and benefits as you can and categorize them as short term and long term.

3. Once you have identified the risks and benefits develop an investment plan. Your plan needs to include:

1. A discussion of which sector you chose to invest in, why you decided to invest in this sector and why you rejected the other sectors.
2. A discussion of the risks and benefits you discovered and any idea you may have about dealing with the risks.
3. A description of the economy of Great Britain in the late 1700s
4. A summary of any possible economic or political obstacles or changes that would need to be made to the political or economic system of the time
5. A discussion of the infrastructure needed for you to be successful
6. A description of any new technologies that would need to be invented

**The plan you hand in can take these possible forms:**

* A paper describing your plan including each of the topics above (5 paragraphs, doubled spaced, 400-600 words)
* A presentation using PowerPoint or similar product that includes each of the topics above in a concise but clear manner (6 slides minimum, including graphics, diagrams or pictures of you own making)
* Other – Ask me before you start

**When you complete the project answer the following response questions:**

1. Why is it important for an investor to understand the marketplace?

2. What happens if the demand for a product is very high? What happens if it is too low?

3. How can the political climate of a place and time affect the industries and businesses in that place?

4. Why do you think many businesses fail?