

Entrepreneurship Essay Assignment

1. Do you agree, partially agree, or disagree with the statement: "the fact that poor people can repay micro loans with very high annual rates of interest provides strong evidence that they have access to highly profitable investment opportunities."
2. Discuss the difference between marginal returns and average returns. How is the distinction relevant for the businesses of the poor?
3. Discuss the barriers that the poor face in growing micro enterprises into medium or large businesses. What other development policy tools besides microfinance could be useful for promoting the creation of medium-sized businesses in the developing world?

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