**THE GLOBAL VIEW [AACSB—Analysis —In-Class Activity]**

**Life is Good in France (If You Have *Le* *Job*)**

A strong economy requires that people have money to spend on goods and services. Because most people earn their money by working, an important goal of all economies is making jobs available to everyone who wants one. A country has “full employment” when 95 percent of those wanting work are employed. Unfortunately, not all countries achieve this goal of full employment. France, for example, often has a 10-percent unemployment rate overall and a 20-percent unemployment rate among young people.

Does this mean that France isn’t trying as hard as the United States to achieve full employment? A lot of people in France would say yes.

Let’s take a quick trip to France to see what’s going on economically. The day is March 19, 2006, and more than a million people are marching through the streets to protest a proposed new employment law that would make it easier for companies to lay off workers under the age of 26 during their first two years of employment. Granted, the plan doesn’t sound too youth-friendly, but, as usual, economic issues are never as clear-cut as they seem (or as we’d like them to be).

To get some further insight into what’s going on in France, go to the *Business Week* Web site (www.businessweek.com/globalbiz/content/mar2006/gb20060321\_896473.htm) and read the article*,* “Job Security Ignites Debate in France.” Then, answer the following questions:

* Why does the French government support the so-called “First Employment Contract?” Who’s supposed to be helped by the law?
* Which two groups are most vocal in protesting the law? Why?
* If you were a long-time worker at a French company, would you support the new law? Why or why not?
* If you were a young French person who’d just graduated from college and were looking for your first job, would you support the law? Why or why not?
* What do you think of France’s focus on job security? Does the current system help or hurt French workers? Does it help or hurt recent college graduates?
* Does the French government’s focus on job security help or hinder its economy? Should the government be so heavily involved in employment matters?