

*H
B

U

Position of the Jews in the
History of Commerce.

by
Henry Berkowitz.

Thesis for graduation at the
Hebrew Union College.

Cincinnati, Ohio. July 5th. 1883.

mic. 5/78

Position of the Jews in the history of Commerce

The old maxim that 'Knowledge is Power' seems in our days to have found a rival in the dominant principle of action which might be similarly formulated, 'Wealth is Power'. These two motives of activity have been called the two main agencies of human progress. A candid analysis of them leads us to a recognition of the fact that the latter viz. the love of wealth, although a far less noble passion than the former - the love of knowledge - has after all proven itself in the records of history, to be the more powerful of the two in leading to the disenthralment of the human race from certain forms of physical, mental and spiritual bondage. The love of money as an end in itself is indeed the root of evil, but the love of money as a means has been the root of endless good. Love of wealth prompted those activities, which have given us all trade, all industries and all the material luxuries of civilization, and it has in truth

proven itself to be the most powerful incentive to intellectual pursuits." In the first formation of society wealth must accumulate before knowledge can begin, because without wealth there can be no leisure and without leisure there can be no knowledge" [Bucher's Hist of Civilization Vol I pag 31]

"In the atmosphere of luxury, that increased wealth produces", says a modern writer, "refined tastes, perceptions of beauty, intellectual aspirations appear. Faculties that were before dormant are evoked, new directions are given to human energies and under the impulse of the desire for wealth, men arise to supply each new want that wealth produced. Hence for the most part arise art, literature and science and all the refinements and elaborations of civilization, and all the inventions, that have alleviated the sufferings or multiplied the enjoyments of mankind. And the same principle that creates civilization creates liberty and regulates and sustains morals. The poorer classes as wealth and consequently the demand for their labor have increased

cease to be the helpless tools of their masters" [Lectures List of Rationalism Vol II pag 340].

Political economy at length verifies the loud cry of morality and by its appeal to self-interest [if it must be confessed] accomplishes, what all the logic and suasion of religion failed to accomplish in that it forces human slavery into the abyss of the past. Thus the nobility of labor is reclaimed, and freed from every stigma.

In a like manner we may justly hope that war too will be forced to recede and tyranny will quail before the asserted rights and advantages of all men.

"Under the influence of industrial occupations, passions are repressed, the old warlike habits are destroyed, a respect for law a consideration for the interest of others a sobriety and perseverance of character are inculcated. Integrity acquires a new value and dissipation a new danger. The taste is formed to appreciate less intense but more equable enjoyment and the standard of excellence being rectified by the measure of utility, a crowd of imaginary virtues and

vices which ignorance had engendered pass silently away. This, or something like this is the scheme of progress, which political economy reveals." [Eckig. same]

We have come to ask, what place the Jewish merchants of the world have held in the progress of the development of this scheme? It was the express purpose of the founder of the Hebrew nationality to lead its subjects from the nomadic to the next higher stage of civilized life - the agricultural. All the Mosaic laws and institutions bear this purpose stamped upon their surface. The feasts, the sacrifices and sacred gifts or tithes, the law of the sabbath year when the land was to lie fallow, the civil and political methods of government, the different rites and ceremonies, were based upon this mode of occupation resting upon an ideal, tho. unattainable, of strict agrarianism. -

The history of the inner life of the people of Palestine proves the realization of this design. It has been often asserted that in the Mosaic institutions commerce is discountenanced. Indeed this view

has come to be almost a truism. Zealous to palliate the proclivity in our people to become merchants some have eagerly taken refuge in this opinion and sought thereby to still the ill-natured caviling of opponents. A recent Jewish scholar [L. Hershfeld *Gumbel's Geschichte des Judentums und Ultrajudentums*] in a calmer mood, looks more deeply into the subject and convinces us that the great lawgiver judged more wisely of the possibilities and advantages of the future and was far from placing any barrier in the way of a growth of commercial pursuits without which no state could possibly flourish.

The geographical structure and location of Palestine destined it for trade. Its long range of Sea-coast made it accessible to foreign commerce. Intimately related to Tyre and Sidon it reaped the advantages of their traffic with Egypt, Asia Minor and the neighbouring islands. Internally its borders were the gateways alike to Egypt, Arabia, Phoenicia and the fabled Eldorados of India which lay in

the reach of the mariners on the Red Sea.

We have no right to attribute to the far-seeing intelligence of Moses a wilful disregard or rejection of the great commercial advantages, which the position of their land afforded his people. It is fairer to presume, that, when he ordered the subjugation of that valuable sea-coast region, it was his intention to absorb the commercial advantages of the captives.

His own regulations in reference to commerce are very scanty indeed and adapted only to the primitive inland trade of an agricultural people. Still his prohibitory laws, had they not been afterwards unduly extended and enlarged, would have offered no serious difficulties to foreign trade. It is presumable that he purposely omitted legislating on this theme leaving it to the future to develop. and to regulate it upon the principles of the established nationality.

Thus it happened that as long as the coast had not come into the possession of the Hebrews they re-

remained strangers to commerce, as the Biblical records show, but as soon as they did gain a strip of sea-coast, as soon as a new commercial route was opened to them they utilized the same.

There is a palpable contradiction in the view, which holds that they were forbidden all intercourse with strangers and yet were allowed in their relations with foreigners to use all even the most blameworthy modes of conduct. This arises from false translations of the ordinance Deut. XXIII. 20.

לֹא-תַשִּׁיךְ וְלֹא-תִקַּח גִּשְׁתָּהּ כֶּסֶף וְנֶשֶׁךְ אֶבֶר נֶשֶׁךְ בָּל דְּבַר אִשְׁרֵי יִשְׂרָאֵל :

The great blunder and one which has been persisted in for centuries lies in translating the Hebrew word "Neshech" נֶשֶׁךְ as usury instead of interest.

That the proper meaning of this word is interest and not usury is clearly apparent from Lev. XXV 35-6.

וְכִי-יִמָּוֶה אָחִיךָ וּמָטָה יָדוֹ עִמָּךְ וַחֲזָקָתָּ בּוֹ גֵר וְתוֹשִׁיב וְחִי עִמָּךְ :

אֶת כֶּסֶפְךָ לֹא-תִתֵּן לוֹ בְּנֶשֶׁךְ וּבְמִרְבִּית לֹא-תִתֵּן אֲכָלָה :

If thy brother has become poor and hath stretched out his sinking arms to thee then thou shalt support

him likewise the stranger that sojourns with thee that he may exist. And thou shalt take from him neither interest for money nor any allowance for the necessities [lent.]."

This error we shall see was zealously persisted in by the Christian Church throughout its history. All through the Middle Ages it persistently denounced all interest and stigmatised it as usury. There is a perfect history to these two terms which Mr W.E.H. Lecky has excellently sketched in his "History of Rationalism Vol II."

The fact is moreover that the verb לָקַח "Thashich" which is constantly rendered "Thou mayest take interest" is in the Hiphil or causative form active and therefore means, "Thou mayest cause or let take interest" i.e. thou mayest allow or give the alien interest. This correction is already made by the Talmudic writers [Baba Metia 70. b] But what could possibly have induced such legislation in favor of the alien? It is readily

explicable by the nature of trade, when compared with the needs of the Hebrews. The merchant in receiving the producer's articles for the market, exchanges them either at once or on time for his own wares or for cash. This is simple barter and has its natural limits. Or he may lay in a large stock of goods and pay for them on time and thus advance the price of the goods sufficiently to make his profit, or if it be money he have acquired he charges interest for its use to those who apply to him for it. Thus interest on money and interest on goods are in principle equivalent - both are marketable articles. But any extensive pursuit of such a mode of acquiring wealth would necessarily conflict with the strict agrarian or communistic principle upon which the new state was based, for this was strongly opposed to anything that had the appearance of speculation. The Hebrew people were to act on the principle that governs a family; all were brothers and were to act as such to each other.

Deut XXIII. 19. "Thou shalt not let thy brother take interest, interest of money, interest of victuals or interest of anything that is lent upon interest."

Mark the command [Lev XXV 35]: "If thy brother have become poor and have stretched out his sinking arms to thee, then thou shalt support him, likewise the stranger that sojourns with you that he may ~~be~~ exist and thou shalt take from him neither interest for money nor any allowance for the necessities [lent]". Thus instead of taking advantage of the one who was so unfortunate as to become a borrower the law required its subjects to support and aid him. In the face of this, the verse under consideration in reference to allowing interest to the stranger can be applied only to such nations with whom the Hebrews traded and to whom the demands of trade necessitated such a consideration for the responsibilities, they assumed. The law favored the allowing of interest in business transactions with aliens, but discouraged such

transactions between brethren or those, whose welfare was considered identical.

The character of the Mosaic laws then, was such as to foster, to facilitate and to ^{enc}courage the exchange of domestic and foreign productions with such alien nations, whose heathenish influence was not to be feared. [Compare this with the Athenian ~~native or adopted~~ law, that would not allow ^{native or adopted} any Athenian to place his money in a vessel, which was not bound exclusively to bring to Athens Wheat or other goods. Athenian Laws of Simon Petit c. 23 Salvador Hist of Mosaic Inst. Vol I pag 189.]

This prohibition capable of the most lenient interpretation actually rendered the progress of foreign commercial relations easy although it was for a long time detrimentally expanded.

In Egypt there was a religious institution similar to that of the three yearly pilgrimages of every male to the sanctuary at Jerusalem. Moses certainly knew from his own observation that these gatherings naturally would assume the character of a great national fair or market, as they did, and undoubtedly the

commercial advantage of such gatherings was a prominent factor in determining him to establish the regulation. A healthful blending of the two interests - the agricultural and the commercial, is essential to the highest prosperity of a nation and to the development of the highest type of individual character. A certain deficiency and narrowness is the natural result of a one-sided life. It is through the contact of the two, that their rough edges must be worn off. This truth - a concession of the political economists of the very latest days - seems to have been recognised in the old Asiatic governmental systems. Moses recognised this but his matchless wisdom forbade commerce as the only basis of the government and wisely elevated agriculture to the first tho not the absolute place. He evaded the necessary fate of purely commercial governments as we have seen it exemplified in the decay of the Italian Republics of Naples, Venice, Florence, Genoa, Milan and the rest. Being entirely absorbed in trading, these made no effort to be producers, but were totally de-

pendent for supplies on the nations with whom they dealt. As long as the course of commerce lay in their track, they prospered and grew marvellously in wealth. When the course of trade changed with the discovery of America [1492] and ^{the} weathering of the cape of Good Hope [1497] - then their downfall ensued as a natural doom.

Up to the age of Solomon and long after, the Hebrews were absorbed in Palestine in actualizing their own institutions, they quietly developed their new theocracy on the basis of simple monotheism with the maintenance of the purity of a perfect moral system under which chastity was protected and charity and fraternity fostered, while the overthrow of idolatry with its moral corruption in their own midst, was the aim of all their energies.

Some time was needed for their perfect consolidation as a nation and for their becoming thoroughly permeated with the unique and exalted doctrines of their faith.

During this time they themselves were mainly producers and supplied their neighbours the Phoenicians or Canaanites who in turn served them in the capacity of mer-

chants. Indeed the word Canaan ^{קנעני} signifies and is synonymous with "merchant". The Hebrews [Isai. 23. 11. Hos 12. 7. Leph 1. 11. Job 41. 6. Prov. 31. 24.] in fact learned the arts of commerce from their neighbors. The increase of industry and of commerce among them was a natural growth which in due season in the genial sunshine of the age of Solomon burst into full bloom.

This prince apparently pursued a purely commercial purpose in his governmental policy and evinced much wise statesmanship. He made his capital the great emporium of Egyptian and Asiatic trade. Excellent caravan routes well paved and guarded, radiated from Jerusalem just as our railroads stretch off in every direction from every great City. Solomon built Tadmor [afterwards the famous Palmyra] as a caravansary in the east midway between Babylon and Palestine; he inherited Ezion Geber and Elath in the South and made it the best harbor on the Red Sea. Here he had ships built and manned by Hebrews and Phoenicians whence were undertaken the famous expeditions to

Ophir so rich in their results. [I Kings 9. 26-8 10. 11. 22]
 Hitherto the products of Southern Arabia and probably
 also of Ethiopia and India had been brought in by
 Arabian caravans exclusively. Against this monopoly
 it appears, that Solomon and Hiram king of Tyre
 combined in equipping and sending out their fleets.
 King David had gained possession of the land bor-
 dering on the Red Sea, so that only now this combined
 enterprise had become possible. [Herafeld Grundriss d. alt. Weltg.
 p. 29.] Thus the fame of the wise Hebrew monarch was
 carried beyond the strait of Bab el Mandeb to South
 Arabia and reached the ears of the Queen of Sheba and
 induced her romantic visit to his court.

In the same manner these two kings united in send-
 ing a fleet to Tarshish in Spain and ^{to} its various colonies
 scattered along the countries of the Mediterranean Sea-
 coast. Solomon imported horses from Egypt for his own
 use and to sell them also to the Philistines and Aramaeans
 This is certainly an index of a larger traffic between
 these two countries.

Thus we have briefly sketched what from the scattered notices in the literature we may picture to ourselves to have been the status of commercial relations at that day. Unless we reflect upon the subject we are apt to regard it all as a fable woven from the phantasies of some oriental dreamer. "It is truly surprising" says a writer on this subject "[Fortnightly Review 14: 197] to find at a time so very remote as that of the flourishing period of Phoenician Commerce the extent of intercourse, which prevailed among the different nations of the earth but we are too apt to make the Greeks our standard and forgetting the ancient civilization of Asia to fancy that advance had been slow and insignificant before they entered on the scene of action."

It is generally asserted that the extensive commerce, which grew up under King Solomon's sway was suffered to perish after his death. This is manifestly an error. The sea coast cities of Edom were retained by the kingdom of Judah at the

greatest sacrifice. Josephus informs us [Antiq Bk IX ch. X. 3.] that king Uzziah built a city on the Red Sea. Both the kingdoms Israel and Judah were in constant connection with Arabia, Egypt, Phoenicia and Syria. This is best proven by the intimate knowledge of foreign affairs, which the prophets disclose in their orations. That tendency which led the people to embrace the attractive realism of the idolatry of their neighbours must have prompted them none the less to adopt the tangible methods of a substantial commerce.

That the Israelites must have had a large share in the Phoenician trade in Europe may be shown from the numerous Hebrew words, laws, doctrines and traditions that are found as having existed among the Goths and Celts [J. M. Wise History of the Israelitish nation] The brilliancy of the Tarshish trade affords us the only rational clue by which we may account for the opulence and luxury enjoyed by the crowded

population confined to the narrow limits of Palestine. Only by this, moreover may we account for the sacrifices which Syria and Assyria were willing to make in order to gain the control of their petty neighbor.

Again that must have been a highly intellectual age which produced the ethical monotheism of the Hebrew prophets. Their lofty eloquence which stands today still unrivaled in the matchless sublimity of its teachings, could have been comprehended only by a people of a very high grade of intellect. Commenting on this fact as bearing on the subject at hand Dr. Wise says: [History of the Israelitish nations pag. 500]. The intellectual powers of a commercial and especially of a maritime people are always better developed than are those of other nations not so circumstanced. This arises not only from the speculations connected with commercial transactions but also from their intercourse with different nations

and classes of society each of which is a school of training for the mind. In consequence of this, commercial nations will not easily submit to a despotic government nor fall into the abyss of stupidity and ignorance." The material benefits of that ancient commerce have passed away. The wealth, for which their neighbors so hotly pursued, the Hebrews has mouldered into dust, but the words of the prophets went forth with the Hebrew merchant whithersoever he travelled to purchase or vend his wares, and these words still resound from sunrise to sunset and animate the hearts of all civilized peoples:—About the year 720 B.C. the Assyrian king Tiglath Pileser subdued the kingdom of Israel and led the people as captives into Assyria. The same fate befell the Kingdom of Judah more than a century later [586] at the hand of Nebuchednezzar the king of Babylon. At this time the Jews were virtually as fully dispersed as they are now, excepting that in the period

of the first Diaspora they were scattered among the great nations of the Orient whilst now the great mass resides in the Occident. Fleeing the terror before the wrath of Nebuchednezzar many had sought refuge in Egypt [Jer 44. 1.] and even in Cush, which is the general name for Ethiopia and Southern Arabia or the southern limits of the known world [Lev 3. 10. and Isaiah XI. 11]. The prophet Joel long before the Babylonian exile [850] speaks of the great day, when the Hebrews, that had been sold as slaves to the Sונים shall be brought back [Joel III 4-7] - In a like manner Hosea [XI. 10] in a similar strain speaks of the children of the West; Zechariah [X. 10.] also of the return of those in Assyria and Egypt; Isaiah [XI. 11.] includes the remnant of those of Elam and Thinar and Hamath [provinces of Assyria, Babylonia and Syria]. Others speak of those in Phoenicia in the North and in the West, in Tarshish in Spain, Lud in Arabia in Tubal or Pontus and Jeparad

in Asia Minor, in Ionia and on the Southern banks of the Black Sea. Israel in exile, then as now, became a mercantile people. Their peculiar circumstances in which this dispersion cast them, naturally brought this about. Between the producer and the consumer - the laborer and the capitalist stands the merchant as a mediator. He is a necessity to both. He serves them with his time and his speculative ability. Hawthorne has excellently characterized the man of business. "He is prompt, acute, clear-minded, with an eye that sees through all perplexities and a faculty of arrangement that makes them vanish as by the waving of an enchanter's wand."

It was the possession of these qualities no doubt that then prompted the Hebrews, to become merchants. In new countries, for the most part without capital and certainly without land they had but two resources common labor or traffic. Those, who could evade the former naturally fell into the latter

mode of life. Thus widely scattered they were influenced and likewise influenced those with whom they came in contact. Modern critics tell us what the ancient Hebrews must have learned from Egypt, Phoenicia, Assyria or Persia, but they never tell us what these peoples must have learned from the Israelites. They seem to forget that men mutually influence each other. The Jews gathered up much that was valuable and more still, that was useless in their wanderings through Asia; likewise they left their impress upon the teachings of Confucius and Zoroaster. - The political epochs of History do not always coincide with the epochs in the history of Commerce or any one human activity. Thus we pass on over a considerable period before a new era begins. A little band of 42,000 souls, led by Zerubbabel had emigrated to Palestine under the authority of Cyrus, the Great. They had suffered all the miseries and privations of a new colony surrounded by hostile neighbors afflicted with want

and pestilence. The glow and warmth of prosperity had just begun to penetrate the body of the feeble state, when Alexander the Great knocked at its doors and demanded admission. The Jews submitted gracefully to the inevitable and remained faithful to the conqueror and his successors. From the very founding of Alexandria Jews were located there and they continued throughout to be a potent factor in the growth and development of all those interests, which elevated that city to the highest place in commerce and learning. Here for the first time the Aryan and Semitic civilizations met and from their fusion came forth all those radical reforms in religion, philosophy, science and art, which shaped the civilization of Europe. Philo, Aristobol, Euclid and Theocritus are names that are of prime importance even today in the world of thought. The Jews who came hither in the 4th Century B. C. at the request of Ptolemy, came from contact with those Oriental nations, that despised trade

[Rawlinson's Fifth Monarchy IV. p 202] But the busy mercantile atmosphere of the capital of the Ptolemies with its Grecian air and manners made their new abode congenial and inspiring to the new comers and at once they threw themselves into the current of this new life and made themselves prominent factors in its development.

Thence their influence extended itself as ^{from} a centre into the East and West. They reacted upon their own country so powerfully, that the Hellenistic party there gained the ascendancy and that exclusiveness, which has always in some measure rebelled against the encroachments of foreign traffic now fell away. The exchange of imports and exports between Alexandria and the harbors of Tyre, Samaria, Ptolemais and Antioch grew in an unprecedented manner. From Alexandria the Jewish people passed to all the maritime ports of the known world. Settlements were placed in Northern Africa, Asia Minor, the Islands of the Aegean Sea and through

out the Levant. In course of time they proceeded with the Romans after Pompey had taken Jerusalem 66 B.C. up to the valley of the Danube to Germania and Gaul. There are traditions extant today of the Jews who dwelt in Regensburg (Ratisbon), Spier & Worms long before the Christian era.

Thus they had early come in contact with the people of Europe either in the tracks of commerce or in the vanguard of conquering armies. They came as warriors or as captives of war as the collectors of tribute and as slaves; as voluntary emigrants or as exiles, as agriculturalists or mechanics, as shop-keepers or commercial travellers. In their hosts were impostors as well as sages, soothsayers and men of letters. All classes and clans in the course of these centuries sent out their quota. Sparta had claimed relationship to the Hebrews and we have records of friendly embassies that passed between Palestine and that country [Josephus X 11 4. X 11 5. 8 Antiq]

Thus the Hebrews carried westward the civi

lixation of the Jordan and scattered everywhere the germs which were to enrich the garden of Europe with ~~the garden of Europe with~~ the flowers of a new life.

The destruction of Jerusalem by Titus 70 a. C. was by no means the calamity which ^{it} is usually pictured to have been. The reason is apparent. A great number of the people no longer lived in their national home. Those who escaped from the hideous massacres of the destruction and afterwards from being sold as slaves, found places of refuge among their brethren everywhere. Synagogues had arisen in every community and in those days as even today synagogues and schools were one. The intellect and the spirit abode together in one house and drank in their nourishment at the same fountainhead.

Thus Judaism survived and every where proclaimed its eternal truths. In the material prosperity of the adherents of the ancient faith no change was wrought by their national catastrophe. Only their in-

tellectual activities were directed into new and unforeseen channels.

The records of the early centuries of their dispersion show no marked changes in their place in the history of commerce from those of the times immediately preceding.

There is unabated progress in ^{the} building up of the forms and methods of business and a development of the laws governing property and the relationships of trade. The Talmudic period lasts until the sixth century A. C. E. the Mishna and the two Talmuds of Babylon and Palestine are devoted mainly to the discussion and deciding all the manifold questions of law. Any one, who will take the trouble to look into this literature will be amazed to find the completeness and breadth of their legal systems. Here he will find the clue to that commercial greatness of the Hebrews' mind which has maintained itself until now.

Clairac, a French writer of the ~~seventh~~ century A. C. ascribes the invention of Insurance to the Jews. The Quells and Ghibilinas obtained ^{it} from them.

and spread it through Europe. Professor Beckmann (1811) of Göttingen University the author of a work on the "History of Inventions, remarking on this says: "I know of no proof of this extraordinary merit of ^{the} Jews in reference to Insurance." He could not possibly conceive of the fact that the Jews of the Orient in the third century had formed associations for the mutual insurance of ships and beasts of burden. The Tosifla a Mishnaic work of the third century discourses the subject [Tosifla Baba Metia Part XI.

רש"ן החמרן לוקר כל מי שימק לוחמקור נעמיד לו חמור אחר

רש"ן הספנין לוקר כל מי שתאבד ספינתו נעמיד לו ספינה אחרת

[Low Lebens aller page 9]

There is undoubtedly a great fund of information on the various branches of our topic buried in the later Hebrew writings which no one has^{as} yet collated. The principle which lays at the basis of the commercial activity of the Hebrew people may be seen in the following fact.

From the great school at Nahardea in Babylon

there had gone forth a wise teaching which sunk deeply into the minds of the Hebrews throughout the world. Mar Samuel the master mind of the third century among the Jews proclaimed to his brethren [817

817 ארץ כנען] Dinah d' Malchusah dinah i.e. "The law of the land is the law." And this became the axiom by which their civil conduct was regulated ever after. Here was a virtual surrender of all such institutions which though they have in a measure retained their place in the life of the people unto the present yet have their origin and significance only in the possession of a Jewish land and government.

There was a surrender even at that early day on the part of the most far-seeing minds, of the idea of a restoration. The disastrous failure of that effort which was quided by the fanatic enthusiasm of a Bar Kochba [132] apparently threw the Jewish mind back upon itself. The limitation to one land of those great precepts of which they were the heirs presented itself now as a narrow purpose

The hand of the Providence seemed to be guiding them away from their native soil to a broader, a grander and nobler work. "Let the interests of the land in which you dwell be your interests" was the new watchword.

In all their checkered history no instance can be cited in which the Hebrews proved unloyal to the land in which they dwelt or to the rulers, however severely they were governed—although they often asserted their manhood by transgressing those restrictive measures which robbed them of the purest human rights. They made the interests of that place, wherein they dwelt, their own interest and used as the best means to this end "the two main agencies of human progress: Education and Commerce."

Thus they were engrossed in all the centuries prior to the Middle Ages. An amusing tho' not a very delectable story is told of Charlemagne in which a few figures and which thus throws some light upon the subject which interests us. In the Chronicles of the Cloister of St. Gallen [etc.]

There is an account of how Charlemagne was once desirous of playing a practical joke upon one of his Bishops in order to make a laughing stock of him on account of his excessive gluttony. He took into his counsel a certain Jew of whom it was well known that he travelled extensively in the Levant and brought thence all sorts of costly delicacies and spices. The result of the consultation was this. The Jew had a mouse dressed and prepared with all sorts of aromatic and delicious spices, and being put up in delicate silk wrapping, he offered it to the Bishop as a rare and superfine oriental confection, asking a good round figure proportionate to the rest of ^{the} exaggeration. After considerable haggling over the price, which the Jew was ordered by his monarch to hold to firmly, at length the Bishop acceded and made the purchase. Some days after this the King called a council of all the bishops to decide upon some matters of state. At the close of the session he

told his story on the bishop and to verify it, had the money brought in. Of course the joke was a success and the laughter that shook those Frankish walls was held worthy of being prolonged into future ages. From such trivial records history is often forced to draw its inferences. We get a glimpse here of the place of the Jews and see that he figured prominently in that day. The degradation of the ensuing ages had not yet descended upon him. Furthermore we see, that the costly products of the Orient were brought to the nobility of Germany by the direct agency of the Jewish merchants. Until the ninth and tenth centuries they were in fact the only merchants of northern Europe, while they held their own in that sphere long after. During this period the first special work on Commercial law that was ever written appeared. It came from the pen of a Jew and he was the most prominent man of his age, the Dignitary or Patriarch Hai Gaon [969-1038]. He was the chief Rabbi

Chief Justice and Rector of the Academy at Pumbeditha in Babylon. His book was written in the Rabbinical dialect of the Hebrew. The first edition was published in Venice 1598. The work is divided into sixty chapters. In each chapter a different subject of commercial practice is fully discussed and the existing law stated and commented on. Thus there are sixty distinct subjects treated of; among these are Commercial notes [ch. 36] conveyances, the sale of money [or stock] not at the time in the possession of the seller [chs. 29 & 30] and "futures" in the very sense which that term holds among modern grain speculators [chs. 48 & 49]. This book called **ספר מקדומים** was largely used by Maimonides in the preparation of his great code of Rabbinical law. The work is of exceeding interest to the law historian and to the student of the history of commerce among the Jews.

Benj. of Tudela [a town in Spanish Navarre] a Jewish merchant was the first European who

extended his journeys through Asia and gave to the world a written account of his travels. He set out in the year 1159 and returned 1173. He combined business with pleasure and research. Besides pursuing his own business interests he wished to learn all that he could about the condition of his scattered brethren. He set out from Saragossa in Spain via France to Italy and Greece, thence to Palestine Persia Chinese Tartary and further India and back by the way of the Islands in the Indian Ocean to Egypt and thence to Sicily and home. His little book has been translated into many languages and has appeared no less than thirteen times. Moses Maimonides [1125 to 1204] the greatest Jewish scholar of the Middle ages compiled the whole system of Jewish law and arranged the same in logical order according to the subjects treated of. His code is called the *Tad Hacharakah*. It was the pre-runner and guide of numerous later codices. While he was studying medicine prior to his having been

called to be the physician in ordinary to Saladin the Sultan of Turkey. Maimonides was obliged to earn his livelihood by engaging in the traffic of precious stones and jewels, in Cairo in Egypt. Moses himself remained at home and attended to the business there, while his brother travelled going as far east as India in accordance with the requirements of his trade. He is probably the best historical type of the Hebrew traveling merchant that has found its place in fiction in the Nathan the Wise of Lessing and the Kalonymos of George Eliot's Daniel Deronda.

In this place we cannot forego mentioning the two traits of Jewish people through which they have been enabled to contribute much to the general progress of civilization and therefore also to that of commerce. One is their wonderful power of adaptability to all climates and places, the other their marvellous aptitude in learning the languages of the various nations. This has been shown in

detail by professor Schleiden in his famous papers on the position of the Jews in the middle Ages.

[Westermanns Heft 1878]

By this means they made the philosophy of the Greeks accessible to the Arabs, and the learning of both these to the nations of Europe. They saved many scholars miseries like those of the Egyptian hieroglyphs. The nations of Europe at this time were just progressing into a settled agricultural mode of life. Europe, then the new world was only building up. Alexandria had receded and Byzantium was now the gateway of the Orient to the Occident. Here too were the Jews and here they filled a like place to that which they had held in the great Egyptian capital. Then, as we have seen, they sent out the wares of the East to the North, where industry had not yet found a resting place.

The writers on the history of commerce seem for the most part to ignore the great change that has taken place in the methods of commercial

intercourse since that day. As long as men lived purely from the products of their own farms and spun and wove their own linen and wool for clothes in their own homesteads, trade was necessarily limited in its articles to the luxuries of foreign industries. There was no interchange of fabrications. Money, precious metal was the only return, that came from the West to the East. In after times, when the people of Northern Europe had advanced so far as to learn the arts of industry and trade, ~~then~~ an interchange of manufactured and raw materials took place. Therewith the nature of international trade was completely revolutionised and as a natural consequence the position of the Jews in commerce was also totally changed. They were forced out of the sphere of international trade to a lower grade of trafficking. The rise of the industrial classes and the formation of the guilds throughout Europe was the organised mode of opposition which the Jew henceforth had to encounter.

and which effected this change in his mode of occupation.

The Jew of the Middle Ages is an "Economical necessity" says Hiesselbach in his *Einleitung in die europäische Handelsgeschichte* [p. 115]. "This quality explains to us not only his general dispersion throughout Europe, it gives us not only a requisite criterion by which we may correctly understand the position of the Israelites relatively to the other constituent elements of the state of those days, but only through it are we enabled to comprehend how a people scattered and subjected to the most harrowing persecutions could not only preserve itself intact but even attain again and again, a most marked importance. This economical necessity is the vital part which they love and which they alone were qualified to fulfill in making accessible to the world the very necessities of life."

The Jews became a race of travelling merchants, common peddlers. But in this sphere they accomplished

even a greater work perhaps, for the progress of commerce than do the commercial travellers of our days.

"What powers else could nature have used," asks Hieselbach very eloquently, "to force the sap that nourishes into the extremest branches and twigs of the great tree of the inhabited earth."

"Where are the merchants who, bearing their packs of merchandise upon their backs, would travel from house to house at a time where the nearest farms were not yet connected by roads - in order to spur on the activities of the agriculturist: by arousing in him new needs? What would the broad valleys of the Danube or Hungary, Russia, Poland, Galicia, but for the sober diligence of the Jewish peddling tradesmen!" It may be very pertinently asked here why the Jewish people did not rather resort to their natural and native occupation of farming? There always were, as there are now, a great many Jewish farmers, although this is not generally known because of the obscurity of that mode of life. We are

informed that in Galicia at least ten percent of the Jewish population numbering about 600,000. earn their living as agriculturists, while among the Christian population the percentage is but 8.3. Even in Southern Russia despite the late persecutions there are still 20,000 Jewish agricultural laborers. In the U. S. the movement has been fairly set afoot to aid and encourage those desiring to become Jewish farmers while there are quite a number of practical farmers of the Jewish faith scattered throughout the land. The new movement has been fraught with failures but it has assumed definite shape and, it is safe to predict, will soon bear lasting fruit. It is often asserted that at the beginning of the middle Ages the Jews were not allowed to possess land. This is, as may be proven not a fact. Up to the time of their expulsion from Spain 1492 they were of the most substantial and reliable manufacturers and cultivators of the land there. This is true also of those who lived in Turkey and to some extent of

those in Germany [Graetz Geschichte der Juden Vol. IX
pag 30. 43.]

The edict, which in nearly all European states prevented their acquiring real estate was of later date and originated as a protective measure in behalf of the poorer farmers to prevent the Jews (who had then been forced out of the pursuit of international commerce into the narrower sphere we have just described) from selling out the farmers who were in their debt, and thus gaining possession of the land [Kieselbach page 130] Still it is true that even before this prohibition but very few Jews had purchased property. There is a twofold reason for this which is but rarely noticed. In the first place the nature of their occupation since all trading was in their hands was such as to prevent their fixed settlement in one place for any length of time, much less to their devoting themselves to so fixed an occupation as farming. Trading at that time, when all the facilities of our days which are so much a matter of necessity

were not yet dreamed of, called for a great deal of travelling back and forth. This fact too explains, why the Germanic peoples did not enter into commercial pursuits until the great movements of the crusades had broken down the barriers of their settled mode of living.

Then again under the feudal system the sale of lands was a very rare occurrence. There was no advantage to a freeman ⁱⁿ exchanging his lands for money, since money could not be invested in bonds or like securities, bearing interest. The only method open to the Jew or any one else for acquiring property, was that of becoming a feudal tenant to some lord or baron. But even if he were willing to surrender that freedom [which the Jews alone of all the people in Europe possessed because of their standing outside the pale of fiefdom] yet he could not make himself subservient even if he wished to because of the Christian oath which every tenant was obliged to take.

Then again in later times when the very dubious mode of protecting the Jews as Servi Cameri or chamberlains or feudal servants of the king himself was invented then they were totally debarred from binding themselves to any other lord and thus acquiring property.

By this system the Jews were indeed protected by the King against the ravages of the populace or nobility, but they were kept as a sort of private prey to glut their sovereign's passion for coin.

Thus barred out of the possession of country homes the Jewish merchant led a sort of nomadic life while his family dwelt in some city. Many despite the persecutions to which they were subjected knew how to maintain themselves in the cities. Here sprang into being in an incipient form the banker of our day - no less a necessity to the commercial world of the present, than was the travelling merchant who introduced oriental wares and oriental ideas to the families of Europe.

In the course of time the Jews became the money-lenders of the world - says the elder D'Israeli: [See John Francis History of the English bank I 2] „When a whole people devote themselves to one great pursuit one single art they open sources of invention, they reach to a noble perfection. Unhappily for the present professors ^{of Judaism} that great pursuit, that single art ^{among its people} was the commerce of money, and to render fortunes invisible their genius produced the wonderful invention of Bills of Exchange; an object like the art of printing become too familiar to be admired; the miracle has ceased and its utility only remains, yet both are sources of civilization and connect together as in one common wealth, the whole universe. Their successful pursuits worked their own fatality. The Hebrew became the reservoir of the wealth of the strange lands where they were found. For the steel-clad baron they were sponges to suck in as much water as they could hold, that his protecting hand as he listed might squeeze them to

their last drop; for the luxurious abbots and the rosy canons who heaped up their improvident bonds on the Hebrew affecting the poverty he was to relieve the Jews became the creditors of a whole province."

Yes, this system of credit, that remarkable agency which has long proved one of the great moralising influences of society by the immense importance it has bestowed upon character, one of the great pledges of peace and motors of progress, by the union it has established between different nations and yet at the same time the most powerful engine of warfare, ^{that men possess} owes its origin, as is generally conceded to the Jews in the Italian Republics among the Lombards [Lecky Rationalism vol VII p. 332. 272. Hallam - Middle ages students ed. p. 605-6 Montesquieu. Esprit des Lois XXI. 1. c 20. Jules Thierry La lettre de Change (Paris 1862)]. Driven or liable at any moment to be driven from their homes, their possession were never safe. Thus of an evil a good

grow. Necessity led them to the invention of such subterfuges as letters of credit and bill of exchange.

It was quite natural that the Jews should have become money lenders. Indeed here again they were an economical necessity to Europe. There was no other occupation [excepting peddling] open to them, it was a profitable occupation and there were no others to fill this place in the social scheme. It was a very simple although an absolutely necessary place which the lending of money on interest hold in the pecuniary world. We know that money must be so borrowed for the furtherance of any great enterprise and that it is an advantage to both parties. In fact it is now a truism that money is as marketable an article as grain. Yet this truth has been but recently admitted.

That it was acted on nevertheless we see in the fact that however it was stigmatized the lending of money was always practiced. The ethical teachings of the Hebrews, whose standard is in every respect the highest and purest, placed no restrictions we have seen

upon the acquisition of lawful interest. The restriction of the Mosaic code was a political not a moral one. This was a lucky thing for the weal of Europe at the time, when the Church denounced all money lending as usury and declared it not only as an ecclesiastical crime but as far as its influence in legislation matters went even as a civil crime. All money transactions were denominated usurious whether really so or not.

The Church received its notions on this subject from heathenism and despite unabated opposition within its own ranks it persisted in thus cursing the progress of industrial and commercial pursuits.

The Jews are entitled to the credit of having thus alone sustained commercial activity until the emancipation of mankind in this respect too had been sufficiently accomplished.

The better the laws of wealth were understood the clearer it ~~has~~ became that to lend money at interest is as innocent as it is necessary and useful. It took Europe ages to discover this truth like so many



others which the conservers of the Jewish faith have been suffering and contending to teach. It is not the time for us to depict the sufferings which they underwent because they dared to deal in money. Societies ^{even} were formed in Italy by Bernardin de Feltre under the title of Menti di Pietra for the pursuit counteracting them in this occupation.

Very many of the persecutions to which they were and even in our times have been subjected had their real basis not in any blind religious zeal as was always professed nor in the desire to punish the invidious crimes of which the Jews ^{were} accused, such as that of poisoning the wells all over Europe at the time of the Black Death or that shameless charge of using the blood of Christians at their Passover feasts which was revived last year in Hungary: no the persecutions had their basis simply in the vexatious debts which the Jews held against their oppressors. Expulsion or murder was a very excellent method of rendering them null and the

records of history are black-pitchblack with the foul crimes thus committed.

It appears as if the emancipation of the Jew and his installment in the rights of humanity and the privileges of citizenship, has been progressing simultaneously and in direct ratio with the advance of nations to true conceptions of political economy and wisdom in statesmanship. The citizen of Europe have become merchants while the merchants (Jews) have become citizens. They stand together on the high plane of equality now at least in America.

Their interests in this great activity have become fused and are one.

Thus we have sketched in the merest outline the extraordinary contributions to the progress of commerce, which the Jewish merchants of the world have rendered.

We have one more question to inquire into, that is the ethical side of this contribution:

Is there any basis to the slanderous accusations

which have so long been rooted in the minds of people against the honesty of Jewish merchants?

Has the verb "to Jew" which Webster defines: "to cheat or defraud, to swindle" gone over into current usage in the language because of the dishonesty of Jewish merchants or because of the malice and ignorance of the masses and of the false doctrines which have grown out of the baneful misconceptions that construed interest into usury.² Progress in commerce could not exist without honour. This needs no proofs. The Jews have contributed materially to the progress of commerce hence this contribution must have arisen on the basis of honour.

Undoubtedly there have been as there are, unprincipled merchants who profess Judaism. There are black sheep enough in the fold. But we are when in mercantile matters we distinguish a man as a Jew or a Catholic or an Atheist. As a merchant he is a merchant either an honest merchant or a dishonest one. There the distinction ends. No religion

upholding a system of morality ~~has~~ can justify or encourage deceit or dishonor be it in trade or any other ^hannel of intercourse between men. It is time for this idiotic cry to cease. The morality of Judaism is that of the civilized world. The merchant who is dishonest in any degree departs to that extent from the tenets of the Jewish faith. If the merchant is to be designated by the religion he professes and ~~the~~ moral law which binds him, then none can claim to be a Jewish merchant who fails to live up ^{to} the principles which in reference to commerce Judaism proclaims. Let those Jewish merchants who ignore this awake to a recognition of the truth and realize it; then, if it be only an ancient prejudice which permits the use of the word "~~yiv~~" for the word chaffer or haggle or hicker or negotiate or treat [in reference to price] - this prejudice will be doomed to perish.

It is almost superfluous to exhibit from the law and the utterances of the teachers and the

lawgivers of Indiaism what an exalted morality they stamped upon trade. Yet we shall briefly sketch the same lest some may demand a verification.

Levit XXV. 14. forbids the taking of any ~~an~~ undue advantage in commercial affairs: -

"If thou sell ought unto thy neighbor or buyest ought of thy neighbors hand, ye shall not oppress one another "

Lev XIX 35. 36 says: Ye shall do no unrighteousness in judgement in meter yard in weight or in measure.

"Just balances, just weights, a just ^{ephah} and a just Hin shall ye have; I am the Lord your God who brought you out of the land of Egypt."

This is emphasised in Deuteronomy XXV 13. 14. 15. 16. : Thou shalt not have in thy bag divers weights a great and a small. Thou shalt not have in thine house divers measures a great and a small. But thou shalt have a perfect and just weight, a just and perfect measure shalt thou have, that thy day may be lengthened in the land which the Lord thy God giveth thee."

For all that do such things and all that do unrighteously are an abomination unto the Lord thy God."

As to the manner of dealing with aliens in general we need only cite Exodus XXII 21: "Thou shalt neither vex a stranger nor oppress him for ye were stranger in the land of Egypt. This subject has been thoroughly discussed by Dr J Hamburger in his paper on "The Non-Jews as treated of in the Talmudical Literature" in the Hebrew Review Vol I no 2 Cincinnati O. 1881 Bloch, P.

Usury was a crime. He who practiced it was thereby rendered unfit to testimony [Sanhedrin 3. 3. Rosh Hashona 1. 8. Shevuoth 7. 5]

"God punishes that which is hidden from the eyes of human judges," - is the warning against practicing deceit in trade [Baba Mezia 61]

Prices must not be unfairly raised [Baba Bathra 90.] A charge of $\frac{1}{6}$ more than the real price of an article was considered as cheating [Baba Mezia Perak IV. Mishna 3. 5.]

The mixture of an inferior article with a superior was a punishable offence [Baba Bathra 89].

There were regularly appointed market inspectors who had control of all these matters. [Baba Bathra 88]

All the regulations in reference to trade applied equally to the Non-Jews [Maimonides 4. Peneha 7. 8 Ch. M. 231. 1.]

Henry Brokowitz

Cincinnati, Ohio June 1883

