

TELLING A NEW STORY:
A MODEL FOR ECONOMIC ETHICS IN JEWISH LAW

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Submitted in Partial Fulfillment of Requirements for Ordination

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2018
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Abstract

TELLING A NEW STORY: A MODEL FOR ECONOMIC ETHICS IN JEWISH LAW

Max Chaiken

This thesis aims to articulate and define a new approach to economic ethics from within Jewish law and narrative. “Telling a New Story” uses a broad, conceptual approach to economic topics, comparing some of the theoretical underpinnings of the contemporary economic discipline to the parallel teachings in Jewish texts. Throughout its four chapters, this work argues, among other things, for a distinctly Jewish *definition* of economics as the study of the production, consumption, and distribution of the goods that sustain human life.

Chapter 1 begins with a literary review and an elaboration of the author’s assumptions and ideological frameworks. It then examines the role of self-interest in both Judaism and economics, challenging the congruity between the understandings present in the two systems, as well as suggesting alternate readings to the Jewish texts on the topic. The chapter concludes by proposing a resulting ethic from which to move forward.

Chapter 2 explores the role of law, the definition of wealth, and some of the problems of money. It analyzes some of the discrepancies between Torah and Rabbinic law in the areas of interest and debt, and further elaborates that a Jewish definition of wealth forms an essential component of the Jewish definition of economics at large.

Chapter 3 posits a uniquely Jewish way to understand markets as essentially relational mechanisms. The chapter draws on on the textual interpretations and conclusions drawn in the first two chapters, as well as further analysis of Torah and rabbinic law on markets, and the secondary scholarship on the topic. There, “Telling a New Story” articulates the need for a framework of ethical pluralism to be used when considering ethical economic policy from a Jewish lens.

Chapter 4 summarizes the findings of the first three chapters before presenting a brief application of the ethically pluralistic model on a contemporary economic topic: minimum wage legislation. It concludes with a reminder that the holy narratives and teachings of the Jewish people can serve as a powerful and critical counterbalance to the narratives that inform contemporary economic policy if we have the audacity to read them in new ways.

Acknowledgements

In some ways, this thesis was conceived before I ever attended a class at the Hebrew Union College-Jewish Institute of Religion. As an undergraduate, it was the ethical and political dimensions of economics and public policy that kept me interested and engaged. As a rabbinical student, it was the economic dimensions of Jewish law that sparked my curiosity from sermons on half-shekel taxes, to term papers on debt or labor, and of course to this thesis, which began with independent study on the history of economics and morphed into this work. In these ways, this work represents my rabbinic response to my undergraduate studies. These topics have fueled my curiosity for years, they have done so throughout my rabbinic studies, and I hope (and suspect) they will continue to spark that flame of learning in me for years to come.

This project would not have been possible were it not for a great many people. I owe a huge debt of gratitude to my advisor, Rabbi Dr. Rachel Adler. Her thoughts have challenged me to sharpen my writing, and she has encouraged me to continue with every draft. I am grateful, as well, to all of my faculty and staff at the HUC-JIR Los Angeles campus. Instructors will not miss the references to ideas, texts, and methods gained from the full range of courses I have taken in here in Los Angeles.

My classmates bring my life and my learning immense joy over. This journey would not have been the same without them. I am very lucky to have the love and support of my parents, Lynn and Steve, and my sister Toby. They continue to be incredible sources of support and comfort, even from across the country. Finally, I don't know what I would do without the love and encouragement of my husband Danny. His presence and support helped me finish this, and help me grow and learn every day.

Economic Anthropology: System Comparisons and Critical Background

מעשה שעמדו קנים בירושלים בדינרי זהב אמר רבן שמעון בן גמליאל מעון הזה לא אליו הלילה עד שיהו בדינרים. נכנס לבית דין ולימד האישה שיש עליה חמש לדות ודאות חמש זיבות ודאות מביאה קרבן אחד ואוכלת בזבחים ואין השאר עליה חובה. ועמדו קנים בו ביום ברבעתים.

It once happened that [the price] of nests [of birds used for sacrifice] stood in Jerusalem at a golden *dinar*. Rabbi Shimon ben Gamliel said “By this Temple, I shall not sleep tonight until they are [priced at] a [silver] *dinar* (worth 1/24 of a golden *dinar*).¹ He approached the court and taught that a woman who has upon her [the sacrificial obligation for] five known-births or five known miscarriages brings one offering and eats of the *zevachim* (the sacrificial meat), and the remainder are not obligated upon her. And on that very day, [the price of] nests stood at a quarter of a [silver] *dinar*.²

The Mishnah preserved this story for nearly two thousand years. At first glance, it may not seem remarkable. It hardly even seems *comprehensible* to many contemporary readers. Yet in fact, this short anecdote serves as a point of connection with one of the most vital concerns of our Jewish holy texts: how to sustain our earthly existence. It represents only one of the hundreds of stories and laws that address questions of economic interest, and as we explore this anecdote contextually, we can begin to uncover layers of meaning that we might apply to our lives today.

The tale appears in *Seder Kodashim*, the order of the Mishnah regulating sacrificial offerings in the Temple. In other words, the broad context for this story would *not* immediately strike us as pertinent to questions of *economic* ethics or values. We might then gain a sense of the importance of the topic from the anachronistic nature of

¹ Jastrow, Marcus. *A Dictionary of the Targumim, the Talmud Babli and Yerushalmi, and the Midrashic Literature*. (Peabody, Mass.: Hendrickson, 2005), s.v. “דינר”

² m. Keritot 1:7, translation mine. Throughout this work all translations from the Hebrew are those of the author unless otherwise noted. I also include the unvocalized Hebrew as a courtesy to any reader for whom it may be helpful, as well as to serve for a level of transparency relating to the interpretive choices that necessarily accompany any translation.

the story's content. By the time the Mishnah was codified, the Temple itself was little more than a distant memory passed from grandparents to grandchildren.³ More immediately, we find this story amidst a discussion of how to enact the commandment for women who have recently given birth to offer a sacrifice.⁴ Taken together, then, we know that this tale could have been left out of our tradition entirely, lost to obscurity by its irrelevance.

The story relates the outlandish declaration of Rabbi Shimon ben Gamliel in the face of the market-given reality of a high price of birds. We cannot be sure why he held such great concern for the price of birds used in this offering, but we can infer that it relates directly to the importance of the ritual: if women cannot afford the birds with which to make the sacrifice,⁵ they could be liable to ignore it entirely. Incredibly, Rabbi Shimon ben Gamliel's teaching at the *beit din* succeeds in bringing the price of birds down to an astonishing 1% of the original price, all within a single day!⁶ His change in the law seems to convey an insight that decreased demand for pigeons would lead to a subsequent reduction in their price. His ruling turns him into a valiant hero who preserves the ability of Israelite women to fulfill a *mišvah*.⁷ Yet that very insight, coupled with his choice to interfere in the market in such a fashion, turns an otherwise obscure

³ cf. "Brief Timeline of Rabbinic Literature" in *The Cambridge Companion to The Talmud and Rabbinic Literature*, edited by Charlotte Elisheva Fonrobert and Martin S. Jaffee, *xiii-xvi*. Most scholarly accounts agree that the Mishnah was redacted sometime in the early 3rd century CE, whereas the Second Temple was destroyed by the Romans c. 70 CE.

⁴ cf. Lev. 12:6-8

⁵ The original passage in Leviticus stipulates that birds are to be used for those who are of lesser means. The full sacrifice would require one sheep and one bird—livestock of even greater value than two birds.

⁶ He declares he will not rest until the price is at the silver dinar, which is 1/24 of a gold dinar, and the price falls to one quarter of that, approximately 1/100 of the original price.

⁷ After all, the text brings this story as proof that despite having brought one offering, if a woman had five certain births or miscarriages she remains obligated to bring offerings for the remaining four.

bit of narrative found in an ostensibly non-economic tractate of Mishnah into a glimpse at the pervasiveness of economic thought in our holy texts.

Neither should this focus of our holy texts on economic realities be very surprising. From the very beginning of humanity, God directs the humans to be productive:

ויברך אתם אלהים ויאמר להם אלהים פרו ורבו ומלאו את הארץ וכבשה ורדו בדגת הים ובעוף השמים ובכל חיה הרמשת על הארץ

And God blessed them and God said to them “be fertile and make yourselves many; fill the land and conquer it; rule over the fish of the sea and the birds of the sky and all the life that crawls upon the land.”⁸

Not merely a matter of *re*-production, humans here are tasked with “filling the land and conquering it,” and with ruling over the rest of creation as the only created beings made “*b’selem Elohim*, in God’s image.”⁹ This foundational concern with humans’ material well-being and sustenance expands from there. The first murder occurs after one brother brings the most select aspects of the work of his hand—the choice firstlings of his herd, quite literally—and the other brings mere produce of the land.¹⁰ God descends to confound all human language after a new construction project deigns to build more than a mere tower.¹¹ And the great forefather of the Jewish people, Abraham, was known for his bargaining skills—not just with God on behalf of the people of Sodom and Gomorrah, but also in his market transactions, insisting on paying Efron the Hittite for the cave in which he would bury his beloved wife Sarah.¹²

⁸ Gen. 1:28

⁹ Gen. 1:27

¹⁰ Gen. 4:3-4, 8

¹¹ Gen. 11:4

¹² Gen. 18:24-33, Gen. 23:4-20. I address biblical figures by their anglicized names throughout this. With Abraham, I call him Abraham for the sake of consistency despite occasionally recounting stories in which he is still Abram.

Through the course of Jewish history our stories, laws, and practices have always maintained this concern for the material aspects of human life. We find it in pithy reminders like that of Rabbi Elazar ben Azarya that “*im ein qemah, ein torah*; without flour, there can be no Torah,”¹³ and it surfaces in lengthier tractates and *halakhot*¹⁴ dedicated to economic topics. Some of these areas of Jewish law *explicitly* address their area of economic interest, from labor, property, and markets to agricultural production, debt, money or interest. Other times, as seen above, a story or a law with economic content may appear in unexpected contexts.

Halakhic Jews¹⁵ have basically always taken these areas of law quite seriously from a religious perspective. Fittingly, their works represent some of the most direct attempts to synthesize the methods or insights of contemporary economics with *Halakhah*.¹⁶ Scholars involved in the contemporary field of economics, however, may wonder how ancient texts from a tradition *outside* their field can offer anything of value or normative weight in contemporary society. And non-*halakhic* Jews,¹⁷ much like many economists, may not even see any use in mining the sources of Jewish religious legal history and narrative for the gems that might bring value to our lives, or that might help sanctify the mundane decisions we make daily to sustain them.

¹³ m. Avot 3:17

¹⁴ A *halakhah* can refer to a singular law or ruling with the system of *Halakhah*. Throughout this work I distinguish between these terms with a capital letter H when referring to the system at large, while the lowercase *halakhah* typically refers to a singular law, or an alternative conception of Jewish law.

¹⁵ Jews for whom a traditional notion of *Halakhah* represents a binding legal commitment in their daily lives. For many or even most of this group, the seriousness of these laws relates directly to God's revelation of Torah (written and oral) to the Jewish people.

¹⁶ cf. Levine, Aaron. *Economics and Jewish Law*. (New York: Yeshiva University Press, 1987); Levine, Aaron. *Economic Public Policy and Jewish Law*. (New York: Yeshiva University Press, 1993); Tamari, Meir. *With All Your Possessions: Jewish Ethics and Economic Life*. (Northvale, NJ: Jason Aronson Inc., 1987); Tamari, Meir. *The Challenge of Wealth*. (Northvale, NJ: Jason Aronson Inc., 1995)

¹⁷ Jews for whom a traditional notion of *Halakhah* does not represent a binding legal commitment, who may or may not have any level of engagement with Judaism.

The questions at the heart of this study, however, remain fundamental questions for any Jew seeking to live both ethically and Jewishly in society today:

1. What does the Jewish tradition teach about economics, and economic topics like wealth, work, money, or debt?
2. How do our teachings compare to contemporary understandings in economics?
3. How have the Jewish values and laws on these topics changed over time?
4. What can we learn from these texts that we can apply to economic situations or behavior in the world today?

Clearly these questions may also be relevant to economists, or anyone with an interest in economic ethics or justice. The first three questions above are descriptive, or positive. To answer them one aims to describe the various teachings and theories; to compare and contrast; to explore variation and a multiplicity of interpretations over time. The fourth question, however, represents a normative claim—that the economic texts of Jewish law contain values which can be used to determine and sustain ethical economic action in the world today. Any ethics necessitates normative argumentation, because an ethics ultimately conveys proper behavior in a given context. But in order to engage in normative argumentation, one must first be able to apply descriptive understandings of the economic concepts in the *Halakhah*.¹⁸

¹⁸ I take it as a given that living according to a traditional notion of Halakhah can represent one way of living *ethically* in society. And Halakhic Jews, of course, make normative claims on these issues all the time—they put them in terms of what is *‘asur*, forbidden or what is *mutar*, permitted; who is *hayav*, obligated to some action, and who is *patur*, exempt. I also take as given, however, that *some non-halakhic* Jews use their journeys through Jewish sources as a way of shaping ethical action in society, and that Jewish texts can make normative claims on ethical economic choices for those Jews as well. Some economists may find fault in this analysis for admitting any normative reasoning. I hold with Wight, however, who argues that “different ethical frameworks offer complementary insights for positive and normative economic analysis” (Ethics in Economics, 3). In other words, even the positive tools of economic analysis can be improved and sharpened with a better understanding of the ethical framework in which they take place. And since ethics require normative claims, it seems only appropriate to acknowledge both elements in this work.

This project requires engaging in hermeneutic dialogue with traditional *halakhic* texts, acquiring a grasp of contemporary Jewish economic scholarship, and demonstrating some mastery over the fundamental theoretical framework operative in the contemporary economic discipline. Hence, this study seeks to uncover and classify some of the implicit and explicit economic understandings and theories embedded within our “Jewish legal/textual tradition,”¹⁹ and ultimately to address the ethical dimensions of economic questions in the scope of Jewish law.

I begin these tasks in the latter part of this chapter by comparing a Jewish economic anthropology to that which operates in the contemporary discipline.²⁰ The chapter explores the concept of the self-interested economic actor, noting the essential similarities and differences between the approach found in classical Jewish texts and the parallel Enlightenment era thought which fueled the growth of economics as we know it today. I begin there because each system’s understanding of human nature in the economic realm directly influences its approach to the ethical questions inherent in economic behavior. This chapter also presents a distinctly Jewish definition of economics that I will defend and elaborate upon throughout the entire work.

Chapter two explores the components of a Jewish theology of economics. I attempt to describe the essential understandings of the world which serve as the

¹⁹ Cohen, Aryeh. *Justice in the City: An Argument from the Sources of Rabbinic Judaism*. (Boston: Academic Studies Press, 2012), 11. Here I’ve merely borrowed Cohen’s phrasing of “Jewish legal/textual tradition” for its simplicity in conveying the breadth of that tradition. While topically adjacent, the framework he outlines in his introduction, however, also applies well to this work, particularly in his claim that “texts of late antiquity” can both have “normative weight” and be read with “academic rigor and discipline” (9).

²⁰ Siegel, Seymour. “A Jewish View of Economic Justice” in *Contemporary Jewish Ethics and Morality*, ed. Elliot N. Dorff and Louis E. Newman. (New York: Oxford University Press, 1995,) 336-343. The framework of defining an “anthropology, theology, and ethics” of economics, respectively, has helped me shape the overall course of this work, and for that I am indebted to Siegel. This work does make key distinctions with Siegel’s approach. For fuller description, see my “critical literature review” later in this chapter.

foundation for economic life in classical Jewish thought.²¹ That chapter addresses the importance of law for economic action, and proceeds to discussion of wealth and money within Jewish law. I once again compare those elements with the parallel approach in the economic discipline. By examining Torah and rabbinic law on interest and debt, and observing the changes in those areas over time, I uncover divergent concerns between the Jewish system and the standard economic approach, and propose a uniquely Jewish definition of wealth.

The third chapter advocates for a conception of markets as a place where human nature meets a view of the world—where any anthropology and theology of economics meet to form an ethics. I propose a relational understanding of markets, and once again I juxtapose this with the standard economic approach. I then adapt an ethically pluralistic framework for analyzing economic policy and action from the values embedded in Jewish law and narrative.²²

In my final chapter, I summarize the arguments and present conclusions. I also demonstrate a concrete application of the ethically pluralistic model to a topic of contemporary economic relevance: minimum wage laws.

Before proceeding to the textual and economic analyses in this chapter, I must first expose some of the theoretical and interpretive frameworks within which I write. Then, I review some of the relevant scholarly literature before proceeding to my discussion of the importance of defining key terms in economic ethical discourses.

²¹ *ibid.* See Siegel and “critical literature review.”

²² Wight, Jonathan B. *Ethics in Economics: An Introduction to Moral Frameworks*. (Stanford: Stanford University Press, 2015). Similar to Siegel’s typology of “anthropology, theology, and ethics,” Wight’s concept of ethical pluralism has had a significant impact on my work. For fuller description, see my “critical literature review” later in this chapter.

Assumptions and Foundational Understandings

Many scholars in the post-modern academic world acknowledge that there may be no such thing as purely “objective” scholarship. Take Bellis:

Between the postmodern awareness that all interpretations are influenced by the context of the interpreter and that the texts themselves are often multivalent and inconsistent, on the one hand, and the human yearning for handles on the truth, on the other, tension exists.²³

All scholars’ work reflects, to some degree or another, their circumstances, their culture, the assumptions they make, and the beliefs they hold. The same can be said, of course, for me.

I was raised in the Reform movement, and write this work as I stand ready to be ordained in the movement. There exists considerable debate within Reform Judaism about whether and how to apply the legally binding nature of traditional *Halakhah*. I tend to side with thinkers like Washofsky and Adler.

Washofsky writes that “Reform Judaism cannot be understood without reference to the rabbinic tradition from which it emerged and which continues to serve it as a source of inspiration, definition, and structure.”²⁴ Adler seeks to reclaim the very term *halakhah* from being monopolized by the orthodox. She maintains that “a halakhah, a path-making, translates the stories and values of Judaism into ongoing action... [making] it an integral component... of any kind of Judaism.”²⁵

²³ Bellis, Alice Ogden. *Helpmates, Harlots, and Heroes: Women’s Stories in the Hebrew Bible*, 2nd ed. (Louisville, KY: Westminster John Knox Press, 2007), 17

²⁴ Washofsky, Mark. *Jewish Living: A Guide to Contemporary Reform Practice*. (New York: UAHC Press, 2001), xxi. This analysis cannot recount a history of the role of Jewish law in Reform Judaism, but this Washofsky volume offers a thoroughly detailed approach to the relationship between Reform Judaism and various areas of Jewish law.

²⁵ Adler, Rachel. *Engendering Judaism: An Inclusive Theology and Ethics*. (Philadelphia: Jewish Publication Society, 1998), 21

Like these scholars, I maintain that the texts of classical *Halakhah* can provide useful guidance for contemporary Jews aspiring to live a meaningfully Jewish life— aspiring to enact their own *halakhah*, however progressive or contrary to the classical system. More importantly, however, I believe that through engagement and study of our traditional Jewish texts—the various inputs to any *halakhah*—we can find meaningful and relevant values for our contemporary world. In the introduction to his book “Justice in the City,” Aryeh Cohen addresses precisely this belief:

There are two areas in this work which might encounter resistance... The first is the claim that I can read... texts of late antiquity such that they are relevant to contemporary situations and, even more so, will have some normative weight, and that I can still read them with integrity and academic rigor and discipline.²⁶

I would expand Cohen’s claim beyond even the Talmudic texts on which he focuses. The study of Jewish holy texts—from Torah through Mishnah, Talmud, medieval codes and beyond—can fuel both descriptive insights on the world from which these texts remain our sole survivors, and normative insights that we might apply to the world around us today. Washofsky addresses this succinctly and powerfully:

Reform Judaism teaches that it is a *mitzvah* for the Jew to work for the betterment of society. We do not believe that the Torah’s instruction concerning social justice applies only within the context of the Jewish community. We think rather that the commandment to “do that which is right and good in the sight of God” (Deut 6:18) requires us to act as a holy people in every aspect of our daily lives, in our contact with all our fellow human beings, in our social and economic pursuits no less than in our ritual activities.²⁷

As we study *halakhic* economic texts, we expose core values in the economic realm, and we are not only permitted, but obligated to use that knowledge towards the “betterment of society.”²⁸ While one might reject the Reform approach to this principle, the idea

²⁶ Cohen, *Justice in the City*, 9

²⁷ Washofsky, *Jewish Living*, 297

²⁸ *ibid.*

stands on its own merits within the *halakhic* system. Berkovits, for instance, uses the same commandment cited here in the Washofsky passage (“doing the right and the good,” based on Deut. 6:18) as a broader legal principle at work in his understanding of an anti-formalist, dynamic system of *Halakhah*.²⁹

Thus I approach the study of Jewish texts aiming to honor both my religious beliefs and my academic integrity. Our texts connect us with Jewish ideas and thinkers spanning thousands of years of history, and through studying them we can infuse our lives with holiness and meaning. Through study and application to our lives, we can still turn the texts of our *halakhic* tradition into “modes of sacred action... inherited from the rabbinic legal tradition.”³⁰ Our legal and textual tradition can again become the “authentic Jewish language for articulating the systems of obligations that constitute the content of the covenant.”³¹ I hold this true in the economic realm as much as any other. I also believe that our ability to participate in this process helps imbue it with holiness.

Theologically, I consider myself primarily a process theologian, and this belief has important implications for understanding my approach to this study. I believe that God exists as a dynamic, evolving force in our universe, and not as a deity who actively works in history. A full account of process theology falls beyond the scope of this work, but importantly, it means that I read God as a major character in our narratives and I apply the same modes of textual analysis to God that I would to human characters. Process theology also influences my understanding of the *origin* of our holy texts. I assume human authorship of the written Torah, the Hebrew bible, and all of the

²⁹ Berkovits, Eliezer. *Not in Heaven: The Nature and Function of Jewish Law*. (New York: Shalem Press, 1983, 2010), 40

³⁰ Washofsky, *Jewish Living*, xxi

³¹ Adler, *Engendering Judaism*, 25

following “oral” traditions (Mishnah, Gemara, codes, and so on) that constitute the classical *Halakhah*. I consider these texts holy *precisely because* of their human authorship, and not in spite of it. These texts have been *revealed* in the sense that they exist as a cultural inheritance thanks to the continuous evolution of human (and within that, Jewish) civilization—a process contained in the Eternal Process that is God. The spark of the Divine spirit contained in all humanity helped to shape the Torah (written and oral) of the Jewish people over centuries. The Process preserved Torah this way as a store of meaning to be engaged with, in process, through all time.

All of this contributes to illustrate how I read texts of late antiquity for “normative weight.”³² Like Cohen, though, I also I strive for academic rigor. This creates challenges: the difficulty of reading our Jewish texts in historical context; the necessarily interpretive act of translating them from their original into colloquial, meaningful English; the struggle to acknowledge *ranges* of interpretive possibilities, even when they disagree with my own interpretation. These difficulties create texture, but they also help one build a relationship with the process of making meaning from the textual inheritance. I feel grateful to take part in that process.

An additional meaning of “academic integrity” lies in acknowledging one’s own biases. Particularly given the economic subject matter at stake, I must freely admit that I write from a place of great economic privilege. My family endowed me with the comforts of the American upper-middle class in the late 20th century, such as a college education, and a general sense of economic security. Without these privileges, I would likely never have had the opportunity to study for the rabbinate, nor to write this study.

³² Cohen, *Justice in the City*, 9

Yet by acknowledging the impact of these privileges, and training myself to be aware of less privileged positions, I attempt to counter the distortional effects of privilege on my analysis.

One of the challenging aspects of maintaining “academic integrity” when using texts that span such a wide range of historical and cultural contexts lies in dealing with historicity. This relates to Cohen’s concern about ancient texts’ being “relevant to contemporary situations.”³³ One might wonder, for instance, to what extent any given biblical or rabbinic law was actually enacted historically, or to what extent the authors’ and editors’ biases and cultural contexts impacted the way they wrote, edited, or transcribed any given tradition. Determining the role of historical context on the canonization of the Hebrew bible, or the redaction of the Mishnah or Gemara remains an active area of scholarly interest and debate. To the extent that these questions influence the interpretation of texts of interest to this study, I address them appropriately. It helps to note here, however, that when this analysis understands *Halakhah* in its classical sense as a system of binding law, some of the questions of historicity become moot. It may not matter whether the release of debts in the biblical sabbatical year was ever enacted, for instance, as much as it matters that the textual tradition preserved the prescription as an aspirational ideal. Regardless of the extent to which any given Jewish society ever practiced any given economic *halakhah*, the inclusion of economic topics in Jewish holy texts gives permission for the values expressed in them to be considered for potential application to contemporary society.

³³ Cohen, *Justice in the City*, 9

Cohen argues similarly, stating that the authors of the earliest codes of Jewish law were urban dwellers who saw the concerns of the city “as their concerns:”³⁴

In the cities, in the markets... the sages came into contact with people of other religions and ethnicities... The sages also came into contact with poverty, workers, conflict over wages, prices, ideologies, and practices. The sages wrote about institutional justice... My working assumption, then, is that there is wisdom which might be extracted from these conversations which can be translated to contemporary realities.³⁵

In other words, the sages came into contact with economic realities. The men who transcribed, preserved, and interpreted the rich textual tradition that ultimately gave rise to Judaism as we know it today took great interest in economic concepts and thinking. While their technical knowledge certainly may not match the enlightenment thinkers who spawned the contemporary economic field, the normative insights of the textual tradition remain a potent source for economic thought and ethics today.

Narrative, Law, and Economics

Narrative plays a considerable and critical role in my approach. I reject any dichotomy between “*aggadah*”—narrative, and “*halakha*”—law. Our textual tradition conveys ethical attitudes through both modes. Our holy texts use narrative and law to convey ranges of meaning in every topic they address, and within these ranges one finds multiplicities of interpretive possibility towards applicative practice. The *halakhic* tradition embeds this characteristic multivocality of Torah in economic matters as it does in any other Jewish legal question. There exists a considerable debate about the role of narrative in law and/or in economics in the broader academic and legal worlds. I

³⁴ Cohen, *Justice in the City*, 11-12

³⁵ Cohen, *Justice in the City*, 12

find the case made by scholars such as Robert Cover³⁶ and Robin West³⁷ reasonably convincing. Cover writes about the role of narrative in making meaning from legal texts:

No set of legal institutions of prescriptions exists apart from the narratives that locate it and give it meaning. For every constitution there is an epic, for each decalogue a scripture. Once understood in the context of the narratives that give it meaning, law becomes not merely a system of rules to be observed, but a world in which we live. In this normative world, law and narrative are inseparably related.³⁸

His use of “decalogue” and “scripture” are no mistake—Cover uses both Jewish and American legal texts as examples of the ways “precepts and narratives operate together to ground meaning.”³⁹ Any approach to Jewish law that disregards the interdependence of narrative and law deserves to be reconsidered. West approaches the question in opposition to the liberal legalism of Richard Posner and those that follow from him. She rejects as delusional the notion that one can simply *obey* the plain meaning of a legal text without interpretation:

The meanings of all of our words and concepts... are created, not given, and contingent, not necessary. It is because they are created that they are open to challenge, change, and choice... The “order of things” reflected in our words and their meanings is, to varying extents, chosen by us, imposed upon us, or a combination of the two. Never is it simply “given.”⁴⁰

Such a description aligns well with my understanding of the role of interpretation in the *halakhic* process. As Jews, if we desire to create culturally relevant meanings from ancient texts and practices, we must interpret the text—the law along with the

³⁶ Cover, Robert. “Nomos and Narrative.” In *Narrative, Violence, and the Law: The Essays of Robert Cover*. edited by Martha Minow, Michael Ryan and Austin Sarat, 95-172. Ann Arbor: The University of Michigan Press, 1993

³⁷ West, Robin. “Law, Literature, and the Celebration of Authority” (1989). Georgetown Law Faculty Publications and Other Works. 647. Available at <http://scholarship.law.georgetown.edu/facpub/647>, accessed 10/14/17. Also West, Robin. “Toward Humanistic Theories of Legal Justice” (1998). Georgetown Law Faculty Publications and Other Works. 669. <http://scholarship.law.georgetown.edu/facpub/669>, accessed 10/14/17.

³⁸ Cover, “Nomos and Narrative,” 95-96

³⁹ Cover, “Nomos and Narrative,” 113

⁴⁰ West, “Law, Literature, and the Celebration of Authority,” 1004

narrative. The precise role that individuals take in interpretation remains a widely debated topic amongst the various streams of Jewish life. Yet one would be hard pressed to find Jewish thinkers who reject the role of narrative in the economic or any other legal realm. In another short piece, West laments that the legal field lacks a “guiding theory of legal justice.”⁴¹ Offering a critique of both Dworkin and Posner, she bemoans the fact that there aren’t really even multiple schools of theories taught in legal education.

We come to law... to explore justice... and more basically, we define our lives by this virtue. What we find when we get there... is... not only a lack of consensus but also that there is virtually no debate. There is no tradition, no shared fabric, no mosaic, no family of competing understandings, of what the virtue that for many of us seemingly defines our professional lives might entail.⁴²

For West, the Law and Literature Movement, to which her scholarship belongs, represents one answer to this challenge by encouraging the “natural” tendency to turn to the humanities to enlighten our approaches to law and justice.⁴³ In some ways, we might apply this sentiment to understandings of economics within *halakhah*. Oftentimes, for instance, “there is virtually no debate” in progressive Jewish circles as to what it *means* to pursue an *economically* just society even though social justice and *tikkun ‘olam* have become buzzwords in many communities. Many Jews don’t really know what “family of competing understandings” fuel the economics of Judaism in the traditional *Halakhah*, nor much about how they might apply these to economic topics today. Ultimately, I align myself with those who recognize the interdependence between narrative and law. This work aims, at least in part, to explore how the two can

⁴¹ West, "Toward Humanistic Theories of Legal Justice," 147

⁴² West, "Toward Humanistic Theories of Legal Justice," 148-149

⁴³ West, "Toward Humanistic Theories of Legal Justice," 149

complement one another in guiding normative action in the daily economic life of Jewish people. In the Adlerian sense of understanding that “a *halakha* is a communal praxis grounded in Jewish stories,” this project aims to generate a new approach to economic *halakha*.⁴⁴

Critical Literature Review

The Jewish scholarly and religious literature in the economic field spans a wide range of interest and focus. All authors narrow their approach somehow, whether by investigating in relation to a certain text (i.e. Hebrew Bible or Talmud), exploring the field topically (i.e. poverty or labor) or working on historical questions (i.e. agricultural archeology of ancient Israel or money-lending in the middle ages.) The scope of this field in Jewish law extends so widely that comprehending it can be challenging. No work could incorporate every relevant primary text, scholarly volume, subject matter, or *halakhic* precept. The range and depth of the field thus make a review of relevant literature indispensable. I’ve divided the secondary sources which have been paramount in forming my analytic approach into several groups: the standard academics, the religious scholars, the “justice warriors”, and the economic theorists/ethicists.⁴⁵

The “Standard Academics”

This category serves as a catch-all in some way, but it reflects a general approach that one would expect from 20th century academics: a keen attention to relevant literature,

⁴⁴ Adler, *Engendering Judaism*, 25

⁴⁵ These designations are meant merely to help organize, and not to suggest anything about any given authors’ personal religious approach or academic background.

critical use of primary texts, and systemic approaches to the questions of interest. The first author I will mention in this category is Seymour Siegel, whose article “A Jewish View of Economic Justice” offers a useful and concise introduction to economic theory in Jewish thought.⁴⁶ He acknowledges the difficulty in making “direct applications” of economic material from Jewish holy texts to the “intricate economies of our time.”⁴⁷ He addresses quite succinctly many of the core concepts which other authors dwell on at length, such as an understanding of material wealth as a blessing,⁴⁸ or the benefits of economic competition.⁴⁹ Most importantly for this study, he defines three components of “Jewish economic theory:”

To analyze the Jewish view on social justice more deeply, it is necessary to dwell on three aspects of the problem. First, what is the general view of the world that is proposed as undergirding the activity of buying, selling, producing, and inventing? This leads to what might be called the *theology* of economics. Second, what is the view of man reflected in the processes that are promoted to order the economic life? This might be called an *anthropology* of economics. Third, what ethical guidelines are imposed upon the economic life? This might be called the *ethics* of economics.⁵⁰

These basic concepts help establish a framework within which we might tease out economic meaning from texts that contain decidedly economic interests, but which do not explicitly offer anything akin to economic theory in the contemporary, academic realm. The brevity of Siegel's article obscures some of the complexity and the porousness between these categories. Thus while I use them in shaping this work, I also recognize the interdependence between them. Ethical challenges, for instance, appear

⁴⁶ Siegel, Seymour. “A Jewish View of Economic Justice” in *Contemporary Jewish Ethics and Morality*, ed. Elliot N. Dorff and Louis E. Newman. (New York: Oxford University Press, 1995.) 336-343

⁴⁷ Siegel, “A Jewish View,” 336

⁴⁸ Siegel, “A Jewish View,” 337

⁴⁹ Siegel, “A Jewish View,” 340

⁵⁰ Siegel, “A Jewish View,” 338. Emphasis in original.

quite readily in the anthropological and theological realms of economic action. This makes intuitive sense as questions of human nature in meeting material needs cannot be entirely separated from “the general view of the world” that creates the foundation for economic actions. We exist *within* the world and whatever aspects determine our nature unquestionably relate back to how we define such a theology. Narrowing the range of material according to Siegel’s categories allows me to maintain a wide-angle lens on the matters of economic theory latent in the texts. Such an approach, then, can be considered systematic in the sense that it aims to understand the systems and frameworks for economic action described by classical Jewish law.

For another one of the “standard academics,” systematic approaches proved essential in the economic realm. Neusner expressly addresses this in his primary work on this topic, *The Economics of the Mishnah*. He writes that his “purpose is to describe the economics of a Judaism in its systemic context, to offer an account of economics in the foundation document of the canon of the Judaism of the dual Torah.”⁵¹ He proceeds throughout the book to argue that the Mishnah represents a coherent systematic document, a Judaism that:

encompasses a theory of economics and... makes its systemic statement through what it says about material relationships and transactions as much as through what it sets forth about God in heaven and humanity on earth.⁵²

⁵¹ Neusner, Jacob. *The Economics of The Mishnah*. (Chicago: The University of Chicago Press, 1990), x

⁵² Neusner, *Economics of the Mishnah*, xi

While some of the fundamental assumptions of Neusner's approach to Mishnah have been rejected by more recent scholarly debate,⁵³ the systematic nature of his approach remains novel and useful. Critically, he takes care to specify his working definition of economics for which he sees the "system" of the Mishnah both coherent in its scope, and successful in its articulation:

Take, for one fact, the meaning of the word economics, made up of two Greek words, *nomos*, that is, law, and *oikos*, household. A work on the law, *nomos*, of the household, *oikos*, in the context of antiquity... constituted an exercise in economic thought, that is to say, a theory on the rational action with regard to scarcity that, in the aggregate, then and now defined economics.⁵⁴

This specificity and particularity with respect to terminology, along with his reminder that the Mishnah (and other works of antiquity) do not constitute "economics as we know the science"⁵⁵ has helped Neusner's work on this topic remain relevant. His analysis of the household, the market, and wealth ultimately lead him to powerful conclusions about the nature of the economic system that the Mishnah legislates.⁵⁶ In turn, his analysis of these topics and the relevant Mishnaic texts associated with them will continue to reappear throughout this work, despite the fact that the certainty of Neusner's conclusion that these laws constitute a systemic statement of "economics" remains optimistic.

⁵³ Jaffee, Martin S. "Rabbinic Authorship as a Collective Enterprise." In *Cambridge Companion to the Talmud and Rabbinic Literature*, edited by Charlotte Elisheva Fonrobert and Martin S. Jaffee, 17-37. (New York: Cambridge University Press, 2007). This article represents a good point of reference for some of the ways Neusner has been rejected. Jaffee addresses Neusner's scholarship specifically (31-32) and writes thus: "In short, every rabbinic document, in [Neusner's] view, is supervised by an organizing literary hand that shapes every line in terms of some larger rhetorical, philosophical, legal, or theological program. The most important thing about Neusner's proposal is that it is almost certainly wrong. But as historians of ideas well know, one error of a brilliant mind is often more useful than thousands of correct judgments by the rest of us." (32)

⁵⁴ Neusner, *Economics of the Mishnah*, 26

⁵⁵ Neusner, *Economics of the Mishnah*, 29

⁵⁶ These can be found in his fourth, fifth, and sixth chapters respectively.

The final work that merits mention amongst these “standard academics” is Roman Ohrenstein and Barry Gordon's *Economic Analysis in Talmudic Literature*. Initially published in 1992, the work was revised and updated with a second edition in 2003 following Gordon's death.⁵⁷ Ohrenstein approaches economic texts of the Talmud and its commentators with a keen understanding of the contemporary field. He describes his approach as follows:

The present author has been able to discern a wide range of economic discussions that display an extraordinary degree of sophistication when viewed from either contemporary or modern perspectives... Sections of the *Talmud*... are rich in concepts... that were later to become significant in the reasoning of the political economists... It is in this latter sense that the Talmudic tradition embodies thought that can be said to “anticipate” later developments.⁵⁸

The book addresses an impressive range of topics, from the modes of Talmudic analysis that impact economic thinking⁵⁹ and the importance of biblical wisdom literature for future Talmudic thought,⁶⁰ to topics in both macro- and micro-economic theory, like the role of individual self-interest,⁶¹ or the concepts of opportunity cost⁶² and economic uncertainty.⁶³ Ohrenstein primarily describes and compares the relevant talmudic discussions with the understandings of the contemporary field, and he accomplishes this task with impressive success. Fittingly, references to Ohrenstein's work appear frequently throughout this analysis. Ohrenstein does not generally seem concerned, however, with the major *differences* between Jewish and secular economic thought. His

⁵⁷ Ohrenstein, Dr. Roman A. *Economic Analysis in Talmudic Literature: Rabbinic Thought in the Light of Modern Economics*. 2nd ed. (New York: Vantage Press, 2003), xvi. I mention Gordon's contribution primarily to help assure that his name not be forgotten despite using the second edition and quoting therefrom.

⁵⁸ Ohrenstein, *Economic Analysis in Talmudic Literature*, xv

⁵⁹ Ohrenstein, *Economic Analysis in Talmudic Literature*, 7-14

⁶⁰ Ohrenstein, *Economic Analysis in Talmudic Literature*, 24-28

⁶¹ Ohrenstein, *Economic Analysis in Talmudic Literature*, 45-57

⁶² Ohrenstein, *Economic Analysis in Talmudic Literature*, 92-94

⁶³ Ohrenstein, *Economic Analysis in Talmudic Literature*, 129-134

work admirably and appropriately demonstrates the ways that Jewish texts “anticipate” later developments, but he does not seem particularly interested in teasing out differences, nor in making normative applications. Regardless, his work stands as an invaluable resource for any who might try to understand this broad field of overlapping interest between the traditional *halakhic* system and the academic discipline of economics.

The “Religious Scholars”

This category of authors generally approaches economic questions of the *halakhah* from within the traditional *halakhic* framework. Sometimes this approach means the creation of practical volumes on every day decisions within the realm of *Hoshen Mishpat*, the most relevant branch of Jewish law.⁶⁴ For instance, one might consult such a volume if they wondered from the traditional *halakhic* perspective whether a student is eligible to receive charity funds,⁶⁵ or if they have a question about when they must pay their workers’ wages.⁶⁶ These types of works help re-center questions that might be of daily interest to traditional practitioners of Jewish law, and provide resources on some of the primary textual sources from which the traditional *halakhah* derives its economic rulings.

Some religious scholars offer more theoretical and systematic approaches. Aaron Levine, for instance, seeks to synthesize economic policy for a “society bound by *Halakhah*” in *Economic Public Policy and Jewish Law*.⁶⁷ Levine’s exercise is theoretical,

⁶⁴ Spitz, Rabbi Tzvi *Cases in Monetary Halachah: Contemporary Issues and Answers Relating to the Laws of Choshen Mishpat for Home, School, and Business*. (New York: Mesorah Publications, Ltd., 2001)

⁶⁵ Spitz, *Cases in Monetary Halachah*, 255

⁶⁶ Spits, *Cases in Monetary Halachah*, 99

⁶⁷ Levine, Aaron. *Economic Public Policy and Jewish Law*. (New York: Yeshiva University Press, 1993), 3

because even in the contemporary state of Israel, traditional *Halakhah* does not explicitly determine economic policy.⁶⁸ Yet his analyses address broad systemic principles such as the role of *imitatio Dei* in the formation of Jewish understanding of social welfare,⁶⁹ or a classical *halakhic* approach to minimum wage laws.⁷⁰

Meir Tamari represents a voice similarly grounded in the classical halakhic framework. *With All Your Possessions* presents a wealth of information on the fullest range of economic subjects: competition, wages, money, taxation, and so on.⁷¹ In *The Challenge of Wealth*, he expands and elaborates on his interest in the ethical questions at the heart of economic life. The ethical challenges fall into two general categories which he uses to structure his work: how to earn wealth, and how to consume it.⁷² Taken together, Tamari's work serves a unique purpose both surveying of relevant economic topics and texts, as well as an offering his understanding of the classical *halakhic* approach to the ethical challenges within these fields of *Halakhah*. Additionally, Tamari presents a repository of relevant *teshuvot*—*halakhic* decisions written by rabbis to Jews at various points in history, inquiring about the proper economic action to take in a given situation. These alone provide powerful glimpses into economic ethical decision-making at discrete moments in Jewish history. As Ellenson puts it, any given individual *teshuvah* can be seen as “the crossroads where text and context meet in the ongoing tradition of Jewish legal hermeneutics,” and accordingly they can be read both

⁶⁸ To the extent to which lawmakers in the state of Israel consider economic halakhah relevant to their votes, we may consider there to be some relation.

⁶⁹ Levine, Aaron. *Economics and Jewish Law*. (New York: Yeshiva University Press, 1987), xxi, 105-137

⁷⁰ Levine, *Economic Public Policy and Jewish Law*, 23-36

⁷¹ Tamari, Meir. *With All Your Possessions: Jewish Ethics and Economic Life*. (Northvale, NJ: Jason Aronson Inc., 1987). These four topics are presented in chapters five through eight of *With All Your Possessions*.

⁷² Tamari, Meir. *The Challenge of Wealth: A Jewish Perspective on Earning and Spending Money*. (Northvale, NJ: Jason Aronson Inc., 1995), xiii

synchronically (as a reflection of their given moment in history) and diachronically (in relation to the ongoing evolution of Jewish law.)⁷³

The scholars in my artificial categories do, in fact, interact with each others' work, and one example merits attention. Neusner lambasted Tamari's *With All Your Possessions* for lacking a systemic approach. According to Neusner, Tamari treats the subjects of wealth, prices, wages, and so on, "entirely out of historical and social context... with the result that [his] work serves no interesting purpose."⁷⁴ Contrary to this hyperbolic and incisive claim, Tamari's works are repositories of information and textual analysis on the various topics that make up this field. His approach need not be systemic from Neusner's perspective to address the entirety of economic life in the scope of its interest, and that is precisely what Tamari does in both of his books cited throughout this work.

Neusner does correctly take issue with one of Tamari's theses in *With All Your Possessions*.⁷⁵ There, Tamari argues as follows:

The object of this book is to show that there does indeed exist, as a result of the Jewish value system, a separate and distinct "Jewish economic man," molded by religious law and communal practice.⁷⁶

Tamari does not prove such a claim, as such a claim can likely never be proven. The claim itself seems to assume a causal relationship from mere correlation. Tamari claims one of the problems in earlier literature in the field is that such studies "divorce Jewish economic practices from Jewish sources."⁷⁷ But ultimately Tamari offers little

⁷³ Ellenson, David. "Jewish Legal Interpretation: Literary, Scriptural, Social and Ethical Perspectives," *Semeia: An Experimental Journal for Biblical Criticism* 34 (1985), 94

⁷⁴ Neusner, *Economics of the Mishnah*, 1

⁷⁵ Neusner, *Economics of the Mishnah*, 1

⁷⁶ Tamari, *With All Your Possessions*, 1

⁷⁷ Tamari, *With All Your Possessions*, 2

historical evidence or data beyond the religious texts themselves, and thus he works his way into a chicken-egg problem. He is inclined to see a “Jewish economic man” because Jews have long been influenced by our holy texts in which he reads a description of such a “man,”⁷⁸ but he ignores the likelihood that such texts were in fact shaped by Jewish people throughout our history, in addition to any role in determining the daily actions of the people. Whatever one might say about an economics of Judaism as found in the span and evolution of our legal texts over centuries, we cannot know precisely how such an economic theory interacted historically with lived reality, and how it shaped or was shaped by the economic life of Jews.

Collectively, the religious scholars’ approaches highlight the manner in which ethical economic action has never ceased being central to the concerns of *halakhic* thinking and development. Their descriptions and analyses represent the voice of the tradition itself in defining its own economic *halakhah*.

The “Justice Warriors”

On the other end of contemporary Jewish religious life and scholarship lie authors who address economic topics from the framework of economic or social justice. Aryeh Cohen and Jill Jacobs offer serious works of both academic and religious scholarship which tackle questions of economic ethics.⁷⁹ Cohen’s concern is the application of the Levinasian obligation to respond to the face of “the Other” in contemporary urban spaces. Jacobs’ interest lies more in addressing questions of

⁷⁸ Or woman, as Tamari carefully points out. *ibid.*, 1

⁷⁹ Cohen, *Justice in the City* and Jacobs, Rabbi Jill. *There Shall Be No Needy: Pursuing Social Justice through Jewish Law & Tradition*. (Woodstock, VT: Jewish Lights Publishing, 2009)

poverty and wealth, and her work applies more directly to this study. Both authors hold rabbinic ordination from the Conservative Movement, and thus they likely consider their works or approaches to be *halakhic*, at least in the sense that they derive their positions from within the *Halakhic* tradition. Importantly, however, they also understand *Halakhah* within a liberal framework—one that acknowledges classical *Halakhah* as a dynamic legal system, interpreted in numerous ways at different times depending on context, culture, and circumstance. In turn, both Cohen and Jacobs do not settle for merely descriptive analysis. They both carefully derive normative principles relevant to contemporary society. They argue for the relevance and propriety of their positions despite acknowledging that there may be more than one way to interpret any given legal concept or *halakhic* text as it applies to their economic topics of interest.

Both Cohen and Jacobs contribute vitally relevant analysis of their issues in focus, but neither explores the differences between the *Halakhic* tradition and contemporary economic scholarship. For Cohen this may be less relevant because of his focus on one's obligation to the Levinasian "Other," which takes his work into a different philosophical direction than standard economic theory. Jacobs grounds her vision of economic justice in the Deuteronomic vision that "there shall be no needy among you..." because it is the passage that, "for [her], best articulates a Jewish vision of economic and social justice."⁸⁰ Her analysis describes a number of economic areas with some precision, but does offer a systematic approach to economic theory at large. She arrives at the powerful (and, in my opinion, correct) conclusion that "Torah... favors a checked market system that permits the ethical acquisition of wealth, with measures aimed at

⁸⁰ Jacobs, *There Shall Be No Needy*, 11

ensuring that the market does not allow the poorest members of society to end up with close to nothing.”⁸¹ Yet one might reasonably argue that she has not fully articulated or uncovered the economic values operating in the system as a whole. Ultimately both works occupy a scholarly arena remarkably close in interest with this study, and they represent invaluable voices despite any lack of economic precision.

The “Economic Theorists”

To ensure that this work maintains its wide-angle lens through which it aims to view economic questions in Jewish law, I have consulted a number of works in the history of economic thought, as well as two works in the ethical economic literature which had a particularly significant influence on this project. A brief mention of these latter two texts concludes this literary review.

In *The Economics of Good and Evil*, Tomas Sedlacek offers a powerful, wide-ranging analysis of economic thought from antiquity through the modern field. In his words, his book seeks “to look for economic thought in ancient myths and, vice versa, to look for myths in today’s economics.”⁸² This goal seems driven by the following foundational belief:

All of economics is, in the end, economics of good and evil. It is the telling of stories by people of people to people. Even the most sophisticated mathematical model is, de facto, a story, a parable, our effort to (rationally) grasp the world around us... I will try to show that mathematics, models, equations, and statistics are just the tip of the iceberg of economics... and that disputes in economics are rather a battle of stories and various metanarratives than anything else.⁸³

⁸¹ Jacobs, *There Shall Be No Needy*, 19-20

⁸² Sedlacek, Tomas. *Economics of Good and Evil: The Quest for Economic meaning from Gilgamesh to Wall Street*. (New York: Oxford University Press, 2011), 4

⁸³ Sedlacek, *Economics of Good and Evil*, 6

To support such a bold claim, the first half of the book seeks to explore the economic concepts in myths and theologies of antiquity. The second half of the book then reverses this process, scouring the current economic landscape for its myths and sacred tales.⁸⁴ Critically for this study, Sedlacek devotes an entire chapter to the economic philosophical contributions of “The Old Testament.”⁸⁵ There are a number of elements of that particular analysis that Sedlacek misinterprets, and in due course this thesis addresses them. But ultimately, Sedlacek’s work represents a crucial voice advocating the role that narrative plays in our economic consciousness, and this voice is made all the more invaluable by the esteem that Jewish texts, law, and tradition have for the role of narrative.

Writing from the economic side of the field, rather than the philosophical or interdisciplinary approach, Jonathan B. Wight’s *Ethics in Economics* serves a crucial role as a survey of the wide-ranging ethical and moral challenges within the contemporary analytical discipline. Wight begins from the following premise:

Implicit moral judgments in economics should be subject to scrutiny. We should unpack and examine the ethical framework that informs the standard economic approach and consider its alternatives.⁸⁶

His work conveys an insider’s sympathy to the power of the statistical methods employed in contemporary economics, yet simultaneously maintains a patient call for diligent moral scrutiny in the field. Most importantly for our purposes, Wight proposes

⁸⁴ Sedlacek, *Economics of Good and Evil*, 7

⁸⁵ Sedlacek, *Economics of Good and Evil*, 45-92. Jews typically refer to the Hebrew Bible, rather than using the phrase “Old Testament.” Sedlacek, however, does use the term “Old Testament,” and thus I will use it as needed when paraphrasing or quoting from his work. The choice on Sedlacek’s part to use such a term may reveal his bias of Christian interpretation of Hebrew Bible, and may in turn highlight some of the ways in which he misunderstands or misreads economic elements within the Hebrew Bible.

⁸⁶ Wight, *Ethics in Economics*, xvi

and demonstrates a concept of ethical pluralism in economics. People approach ethical choices from within three fundamentally different ethical constructs at different times. These constructs are: consequentialist ethics, rule- or duty-based ethics, and virtue ethics. Not only does Wight ground his survey with respect to these three modes, explicitly refusing to choose between them, but he notes quite simply the fluidity of such a pluralism. As individuals, we make our ethical choices from within different modes at different times.⁸⁷ This insight fits very well with aspects of economic thought expressed in classical *halakhic* sources, and could add to any given Jewish person's ability to make meaningful, ethical, Jewish economic choices. I return to this in chapter three.

Defining “Economics:” The Word

In order to further explore the latent anthropologies in Jewish and economic thought, as this chapter ultimately seeks to do, we must first address how even something as basic as defining the term “economics” will influence any economic ethos. As mentioned above, Neusner claims to be using a standard definition of “economics” as basically “a theory of rational action with regard to scarcity.”⁸⁸ Ohrenstein also defines economics at least in part by reference to scarcity, as evidenced by his interpretation of the creation myth of Genesis 2 (the expulsion from the Garden of Eden) as unfolding “a panorama of human struggles for existence and economic ascendancy, mainly as a result of nature's

⁸⁷ Wight, *Ethics in Economics*, 17-19

⁸⁸ Neusner, *Economics of the Mishnah*, 26

scarcity.”⁸⁹ Even in the contemporary discipline, historians of economic thought interpret “the problem of scarcity” as “the central economic problem” of the Bible.⁹⁰

Defining the term in this way remains valid and common, and this work will return to the topic of scarcity as necessary. Such a definition, however, already conveys an understanding of how human beings navigate the world in the process of fulfilling their material needs. Framing the discipline around scarcity highlights the role of competition. It may reflect a reality of scarce resources. Yet conversely it may help *generate* attitudes that “there isn’t enough” of some good, thus inspiring certain types of behavior on the part of any given person to make sure that *they* and *theirs* are provided for amidst their perception of scarcity. One can even argue that a scarcity-bound definition thus represents a pessimistic attitude toward creation: that we inhabit an inhospitable world that does not (always) provide adequately. In turn, this understanding of economics’ central concern helps to determine the ways that economic thought and analysis are employed in the public sphere.

Other definitions could enable a different approach. Economics might also be defined as the study of production, distribution, and consumption of the goods and services that sustain human life. After all, human civilization has survived, and even thrived because we have continued to find and engage in new ways to produce, distribute, and consume the goods and services requisite for survival.⁹¹ This definition fosters cooperation, rather than competition. This definition may even be a more

⁸⁹ Ohrenstein, *Economic Analysis in Talmudic Literature*, 16

⁹⁰ Sandelin, Bo, Hans-Michael Trautwein and Richard Wundrak. *A Short History of Economic Thought*, 2nd ed. (New York: Routledge, 2008), 7

⁹¹ Canterbury, E Ray. *A Brief History of Economics: Artful Approaches to the Dismal Science*, 2nd ed. (Hackensack, NJ: World Scientific Publishing, 2011), 6

general, overarching definition, less prone to politicization or propaganda. Importantly, such a definition does not deny that scarcity and uncertainty remain important, even critical aspects of human interaction with the material world. But, as I will show, this definition aligns far better with the anthropology and theology of economics embedded in classical Jewish texts.⁹² Accordingly, I continue to rely on this definition throughout this work.⁹³

“The Invisible Hand:” An Operative Anthropology

Beyond clarity in how this study defines the concerns of economics, it would be remiss not to offer an understanding of the history of the field and its contemporary scope. Of course, narrating and exploring the full history of “the dismal science”⁹⁴ lies well beyond the scope of this work. But given our focus on economic ethics, a brief survey of this history, along with a cursory assessment of the state of the contemporary scholarly field, should provide useful background. Moreover, such a narration will hopefully illuminate the importance of the choice to focus on the comparative ethical aspects between the two fields of thought.

As with crafting any narrative, telling the story of an academic discipline already requires interpretive choices. How one begins the story, introduces the characters, defines the terms and chooses the language—all of these impact the meaning that may be made from the story itself. Using the definition which focuses on how human

⁹² I return to this point in chapters two and three.

⁹³ Yet another definition of economics might define the field as the study of the way people respond to incentives. This definition connotes neither cooperation nor competition, but neither does it offer enough precision to be useful for the study at hand, nor does it address the societal elements (or the macro-view) which the field aims to explore.

⁹⁴ Canterbury, *A Brief History*, 75. He uses the phrase in the title of his volume, but attributes its origin to Thomas Carlyle.

societies have sustained material life might sound more like the beginning of the story of anthropology or sociology, rather than economics. But in fact, the discipline first developed as a branch of the ancient field of philosophy. The earliest economic thinkers, including those in ancient texts were concerned with “mostly normative” questions, “about ethics and justice rather than about the causes and effects of the economic phenomena in question.”⁹⁵ With the beginning of what is now called the classical period, this would begin to evolve.

When economists tell the story of their field, they often begin in 1776, when Adam Smith published *Wealth of Nations*.⁹⁶ Smith was “an exceptional... thinker... who is universally considered the father of modern economics.”⁹⁷ The story so frequently begins here because of the importance of the various topics Smith addresses in *Wealth of Nations*. These include specialization of labor, the role of government, a theory of value, and most pertinent for our interests in this chapter, a foundational understanding of human nature in the economic realm.

“The characteristics of human beings are fundamental for Smith’s view of how the economy works.”⁹⁸ Chief amongst these characteristics was the idea that the free individual pursuit of self-interest would eventually transform into generalized social welfare. Sedlacek tries to correct the historical record, insisting that Mandeville first posited this idea in his *Fable of the Bees*, whereas Smith attempted to distance himself from such a notion in his early work *The Theory of Moral Sentiments*.⁹⁹

⁹⁵ Sandelin et al., *Short History*, 8

⁹⁶ Sandelin et al., *Short History*, 15

⁹⁷ Sedlacek, *Economics of Good and Evil*, 193

⁹⁸ Sandelin et al., *Short History*, 18

⁹⁹ Sedlacek, *Economics of Good and Evil*, 184-185

[Mandeville] was the first to systematically perceive the unintended beneficial societal impacts of the actions of individuals and to openly postulate that societal welfare can (and must!) be based on egoism.

Yet despite this irony, it was Smith's usage of the metaphor of the "invisible hand" in *Wealth of Nations* that would take on a life of its own, and travel potently to our own time. There exists no scholarly consensus on precisely what Smith intended by the concept:

The "father of economics" endowed the young field with a contradictory, unclear, and ambiguous view... In *The Wealth of Nations*, man appears as an individual whose motives are given by self-interest. Smith, although a professor of ethics, doesn't discuss the moral issues at all in this point, and he does not look at how man functions in society outside the refuge of the conduct of business... [The] passage with the butcher teaches us about the invisible hand, which harmonically, elegantly, and nonviolently governs... As opposed to this, the human beings in *The Theory of Moral Sentiments* look completely different. The governing principle of human behavior is loving benevolence, fondness; man is not a rational actor but is primarily led by emotion.¹⁰⁰

Despite any ambiguity in Smith's understanding of the concept, it was "the invisible hand" of *Wealth of Nations* that "became the beginning of an entire economic discipline."¹⁰¹ Smith's legacy bequeathed the young field with an operative, if adolescent and unintended, anthropology of economics. The field would understand humans' actions as primarily and inevitably driven by our drive to further our own interests, rather than by any instinct to act for the sake of others, or out of any other ethical motivation.

The concept of the invisible hand raises a unique ethical challenge that I need to address before continuing any further in this story of the economic discipline. This concept, as presented in *Wealth of Nations* and as it has evolved to the present day,

¹⁰⁰ Sedlacek, *Economics of Good and Evil*, 201

¹⁰¹ Sedlacek, *Economics of Good and Evil*, 195

represents a sort of determinism. In Smith's own words, each person "intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention."¹⁰² Thus this "invisible hand" becomes responsible for making order from the chaos of individual human beings' independent choices, but in the process it neuters any notion of human responsibility. In the economic realm, ethical action consists merely of the rational pursuit of our own interest, because the "invisible hand" will take care that such actions come to promote the interest of society. Yet this means that our economic theory essentially abdicates *any* obligation to others, along with throwing our very free will into question.

Despite this and any other ethical challenges, over the centuries, the "invisible hand" concept influenced future economic thinkers. They adapted it to their models and understandings, and "enlightened" self-interest gained the staying power to fuel the transition from what had been a primarily ethical area of inquiry in the pre-classical period, to a modern, scientific, and analytic discipline following Smith.¹⁰³

One way later thinkers spurred this process along was by grafting aspects of utilitarianism onto the "invisible hand." This proved a pivotal development in the nascent anthropology of the field.¹⁰⁴ Thinkers like Jeremy Bentham and John Stuart Mill concerned themselves primarily with moral philosophy, but their work and thought gained strength in its application to economic thought. In basic utilitarian calculi, ethical policies are those which maximize the overall "utility"—the aggregate pleasure and lack

¹⁰² Sedlacek, *Economics of Good and Evil*, 198. Sedlacek quotes from *Wealth of Nations* here, and given our interest in narrating the development of some of the fundamental presuppositions in the contemporary field, it should not present a problem to quote Smith by way of contemporary scholars' choices and writing on Smith.

¹⁰³ Sandelin et al., *Short History*, 38

¹⁰⁴ A thorough discussion of the elements of utilitarianism and the impact of the construct on the economic field once again lies beyond the scope of this work.

of pain or suffering—in society. Unfortunately, humans do not generally hold a consensus on what goods, actions, or experiences produce pleasure or pain. Measuring “utility” always requires the application of subjective criteria.¹⁰⁵ Utilitarian calculi represent a consequentialist mode of ethical decision-making—they rely on an ethical *outcome* to determine the ethical propriety of a given policy.¹⁰⁶ Accordingly, to determine whether a given policy or system is the “right” course of action, one must find a way both to measure subjective criteria, and to predict the impact of a policy on those criteria. Then enters the self-interested economic anthropology of the “invisible hand.”

Begin with the assumption that in a free market, each individual choosing to buy or sell goods at any given price must, in fact, be enhancing her “utility.” If she were not doing so, she would keep her money.¹⁰⁷ This assumption effectively represents the fusion of “Smithian” self-interest with utilitarianism. Importantly though, this assumption also generates the ability to *measure* this transaction, and the resultant welfare gain for the individual, in terms of the monetary value expressed therein. If I sell my shoes for \$35, the value of that money *must* give me as much or more utility than the value of the shoes. Such reasoning leads quite simply and directly to the transformation of an ethical discipline into an analytic one. With monetary figures serving as a proxy for utility, and people, as a rule, behaving in a way that maximizes their utility, scholars can observe and even predict economic behavior based on observations of market transactions.

¹⁰⁵ Wight, Jonathan B. *Ethics in Economics: An Introduction to Moral Frameworks*. (Stanford: Stanford University Press, 2015), 27-33

¹⁰⁶ We will return to consequentialism in the discussion of ethical pluralism later in this chapter, as well as in chapter three.

¹⁰⁷ I address money in greater length in chapter two.

The thinkers of the classical period built upon these foundations, and historians of economic thought generally consider the end of the 19th century to coincide with the end of the classical period.¹⁰⁸ A great number of thinkers contributed to the growth of the discipline from its ethical and classical foundations to its analytical-mathematical reality of the present day. Skimming over hundreds of years of economic history and thought admittedly does not do justice to the richness of the field, nor to the unique contributions of the generations of economists who furthered it.¹⁰⁹

Importantly, though, many of the most influential thinkers throughout economic history did *not* ignore the ethical genes coded into the DNA of their field. Smith himself was a moral philosopher. Marx built upon Ricardo to form his labor theory of value.¹¹⁰ The field as a whole may have developed its methods and evolved into a mathematical science *despite* any ethical challenges inherent in its nascent economic anthropology. Yet today ethics remains a vibrant sub-discipline in economics, rich with scholarly research and writing. Economic ethicists keenly note many ways that contemporary research methods *can* control for, or adjust to, discrepancies between *actual* human behavior and

¹⁰⁸ Sandelin, et al. *Short History*, 40

¹⁰⁹ Regrettably, such editorial discretion remains necessary if we are to compare the ethical foundations of contemporary economic theory with the ethical principles that constitute a Jewish economic theory.

¹¹⁰ Sandelin et al, *Short History*, 35. For more on Marx, cf. Wolff, Jonathan. *Why Read Marx Today?* (New York: Oxford University Press, 2002). Marxian thought presents questions that, in many ways, are tangential to the contemporary economic discipline because so much of his economic analysis has been formally (and mathematically) rejected. His understanding of the labor theory of value, for instance, has not withstood the theoretical and methodological developments since he posited it. That said, I embrace an openness to what Marxian ideas might offer in connection with the topics of study in this thesis. Wolff puts it quite well. "We could be forgiven for assuming that Marx has nothing left to say to us. Marxist regimes have failed miserably, and with them, it seemed, all reason to take Marx seriously... But the failure of communism does not mean that all is well with Western, liberal, democratic capitalism. And it is Marx, above all, who still provides us with the sharpest tools with which to criticize existing society... We may have no confidence in his solutions, but this does not mean that the problems he identifies are not acute." (1-2). To the extent that Marxian thought may continue to offer relevant connections and insights into topics addressed in this thesis, I will continue to refer to him. At present, however, I am interested in the fundamental characteristics of human nature that contributed to the economic anthropology of the young field, and to my knowledge, Marx never directly addressed the role of self-interest with an eye towards human nature.

the behavior predicted by economic theory. The field of behavioral economics, for instance, “documents how people take excessive risks, overestimate their own capabilities, and otherwise hold irrational beliefs.”¹¹¹ But despite all these developments, the power of the “invisible hand” metaphor remained potent as the field entered its next phase.

Self-Interest in the Neoclassical Approach

If we wish to understand better the ethical challenges in the self-interested anthropology of the economic discipline, we must first appreciate the statistical power that this anthropology has generated over more than two centuries of the field’s development. Wight’s description of the neoclassical theory of welfare offers a useful starting point:¹¹²

[The] neoclassical theory of welfare treats as sacred the subjective (and assumed given) preferences of individuals, treating each as an autonomous person. The modern economic view is that the welfare of society is maximized when the dollar value of individual preferences is maximized today, given the existing resources and the current distribution of income and wealth.¹¹³

Notice the way that this theory connects *individual* preferences to *societal* welfare. The theory reasons from its self-interested anthropology that since humans seek to maximize current utility given current circumstances, one can model societal welfare by measuring the aggregate utility of all individuals in a given society. Since measuring a

¹¹¹ Wight, *Ethics in Economics*, 198

¹¹² Neoclassical economics represents the current “orthodoxy” according to Sandelin, et al., *A Short History*, 103-104. They are careful to note that some sub-disciplines of the field (e.g. Behavioral Economics) are more non-neoclassical than they are neoclassical, but, as I’ve written here, the nuanced approach of behavioral economists often gets lost in popular discourses, which makes it critical to address the “orthodox” approach. Sandelin also carefully reminds that some key features of the classical period, including the “invisible hand,” remain central to the developments of the neoclassical period (38-39)

¹¹³ Wight, *Ethics in Economics*, 62.

subjective criteria like utility proves immensely difficult, if not impossible, the field uses monetary value as proxy. In laying out the connective tissue between *individual* utility and *societal* welfare, this statement also conveys one of the defining features of the field today: the fundamental differences between *micro*-economics and *macro*-economics.

Micro-economics focuses on modeling and analyzing the (presumed) rational choices of each *individual* consumer or producer as she seeks to maximize her utility. The assumption of rationality means “that consumers respond consistently and logically to changes in incentives so as to achieve the best-expected outcomes given their constraints.”¹¹⁴ Through mathematical modeling, micro-economists analyze a wide range of economic choices, typically focused on the behavior of individual economic actors—individual people or firms. For instance, a basic micro-economic type question might ask “at what price will a given consumer buy a second apple, given that he enjoys the second one less than he does the first?” Or alternately, “how many apples will the farmer supply to the market at the going price?” These questions may seem elementary, but do not mistake that simplicity for unimportance. By utilizing the assumption that people, as rational actors, will necessarily act to maximize their utility, economists have developed complex ways to model consumer and producer responses to price. The development of such analytical and mathematic lines of inquiry generated powerful, *provable* economic values. One such value is *efficiency*.

Wight defines efficiency as “an analysis of the world compared to a desired ‘optimal’ state,” and he reminds his reader that such a concept is both “necessarily normative” and reliant on “consequentialist ethical theory.”¹¹⁵ In this case, that

¹¹⁴ Wight, *Ethics in Economics*, 61

¹¹⁵ Wight, *Ethics in Economics*, 59

“optimal” state refers to a market clearing equilibrium in which supply meets demand without any deadweight loss. The concept, derived from the “normative toolkit” of micro-economics (founded, of course, on all of the preceding theory and economic anthropology), gains its power because economists can actually *mathematically prove* the possibility of efficient outcomes.¹¹⁶ Assuming competitive markets, and prices that reflect the true cost of goods, an efficient outcome clears the market: demand for a given good precisely meets the supply of that good at its given price.¹¹⁷ Imagine that in our market for apples, each apple costs \$1.00. If that were an equilibrium price, there would be no consumers who wish to buy more apples who do not do so, and similarly there would be no producers willing to sell apples at that price who do not do so. The outcome can then be called *efficient*, because no party can be made *better off* without decreasing the utility of another market participant. If the price were lower, there would be consumers willing to buy apples without adequate supply (i.e. some consumer would lose out), and if the price were higher, the inverse would hold.¹¹⁸

Macro-economics, for its part, uses the same assumptions about human nature. By aggregating individual preferences and choices, economists can generate models of aggregate supply and demand for different products. (In fact, Ohrenstein places his chapter on self-interest under the rubric of macro-economics, perhaps because the anthropology serves as a pre-requisite for relating *individual* economic behavior to

¹¹⁶ Wight, *Ethics in Economics*, 75

¹¹⁷ These assumptions, of course, represent *ceteris paribus* assumptions that economists largely recognize do not always hold. Monopolies, among other elements, hinder competition within markets, and many prices do not factor in the externalities—costs or benefits born to 3rd parties. Still, these assumptions contribute to the mathematical proof of the possibility of efficient outcomes. I address these foundational assumptions about the nature of competitive markets at greater length in chapter three.

¹¹⁸ Wight offers detailed graphs and explanations of this in his chapter “Welfare and Efficiency,” *Ethics in Economics*, 59-76.

societal welfare.¹¹⁹) This allows mathematical and analytical exploration of complex issues like international trade, economic growth, or monetary policy. Macro-economists are typically responsible for the appearance of popular economic figures like Gross Domestic Product (GDP), which aims to measure “the monetary value of all the finished goods and services produced within a country's borders in a specific time period.”¹²⁰ This and other macro-economic indicators can then be used (among other things) to help measure the aggregate *welfare* of society; they often serve as benchmarks of overall health in a given national economy. Economists can then generate forecasts of how they expect different policies to impact unemployment rates, wage growth, and more.¹²¹

Importantly for our interests, the macro side of the field also concerns itself with the role of law and government in the economy at large. Wilson cites Joan Robinson's definition of the pre-requisites for an economic system as “a set of *rules*, an *ideology* to justify them, and a *conscience* in the individual which makes him strive to carry them out,” and proceeds to note, quite accurately, that markets need a legal framework in which to operate.¹²² As a legal system, the classical *Halakhah* would certainly concur. Since “*halakhah* teaches the way along which the Jew is required to walk in accordance with Torah... the application of the Torah to life,”¹²³ it follows that all economic activity and thought must be considered within the system's realm of interest. The legal

¹¹⁹ Ohrenstein, *Economic Analysis in Talmudic Literature*, 45-57

¹²⁰ I have taken this definition from the popular economics website, Investopedia, but similar can be found in most introductory textbooks. <http://www.investopedia.com/terms/g/gdp.asp>, accessed 10/11/17

¹²¹ Economic forecasting presents a curious theological challenge, and may even be considered a form of prophecy. Sedlacek addresses this (*Economics of Good and Evil*, 306-308), and this represents an area for future work.

¹²² Wilson, Rodney. *Economics, Ethics and Religion: Jewish, Christian and Muslim Economic Thought*. (New York: New York University Press, 1997), 5-6

¹²³ Berkovits, *Not in Heaven*, xx

frameworks in which markets/economies operate relate both to micro- and macro-economic thinking, but determining the impact of any given law or policy typically falls in the interest of macro-economists.

Given these understandings of how the anthropological assumptions within the discipline allowed for the very evolution of what is now a mathematical, analytical field, we can now proceed to further delineate some of the ethical challenges that stem from this anthropology. We return to Wight's formulation of the neoclassical theory, reprinted here for ease of reading:

[The] neoclassical theory of welfare treats as sacred the subjective (and assumed given) preferences of individuals, treating each as an autonomous person. The modern economic view is that the welfare of society is maximized when the dollar value of individual preferences is maximized today, given the existing resources and the current distribution of income and wealth.¹²⁴

To begin, note the use of the term "sacred" as applied to individual preferences. While there may be other words that Wight could have used, it seems no coincidence that even a positive field, aiming to "understand the world as it is"¹²⁵ relies on "sacred" concepts, and, in this case, sacred narrative. This bedrock principle that individual preferences are holy stems from the "metanarrative" of self-interested humanity.¹²⁶ The preferences of any individual *must* be "given" because that is the story economists tell and retell about human nature.

Assuming individual autonomy also presents a challenge. Even if, under ideal circumstances, people are free to choose their preferences and articulate them

¹²⁴ Wight, *Ethics in Economics*, 62.

¹²⁵ Wight, *Ethics in Economics*, 59

¹²⁶ Sedlacek, *Economics of Good and Evil*, 6. I may continue to use the term "metanarrative" throughout this work because it conveys its meaning with a degree of simplicity, namely, an overarching narrative or belief that serves as a key component in the creation of economic analysis.

explicitly, there can be no doubt that society at large plays a role in shaping the preferences of the individual.¹²⁷ Advertising, communal norms, cultural preferences, peer pressure—there are hosts of forces that call into question the “autonomy” of the individual without even debating whether it *benefits* individuals to be “autonomous.” Understanding preferences as “given” also obscures the natural variance in the individual’s preferences over time. While economists have developed methods to control for such variance, the starting assumption remains, which in turn presents further challenges to the self-interested anthropology guiding the neoclassical theory of welfare.

Several temporal ethical challenges appear here as well, with crucial implications for for comparison to a Jewish economic anthropology. Again, Wight:

Whereas classical economists... concerned themselves with the historical and institutional foundations for long-run growth, a new breed of engineering-trained economists used techniques of calculus to ground the discipline in the mathematics of short-run maximization.¹²⁸

Thus Wight carefully stipulates that under this model, “the welfare of society is maximized when the dollar value of individual preferences is maximized **today**.”¹²⁹ This expression of the framework, then, does not even attempt to consider the aggregate welfare of society *tomorrow*, in ten years, or for the next generation. The inability (or

¹²⁷ Berger, Peter L. *The Sacred Canopy: Elements of a Sociological Theory of Religion* (New York: Anchor Books, 1969), 3-5. Berger presents a synthesis here of the dialectic nature of society, in which individual humans generate society, and are also shaped by society. *The Sacred Canopy* presents Berger’s application of his earlier work to religion at large, but his insights about the dialectic nature of society help demonstrate the challenge of considering economic preferences “autonomous.”

¹²⁸ Wight, *Ethics in Economics*, 61

¹²⁹ Wight, *Ethics in Economics*, 62. Emphasis mine.

unwillingness) to adequately consider the needs of future generations stands as a critical ethical flaw of this economic anthropology.¹³⁰

There remains an additional temporal challenge that Wight's formulation presents, in that it fails to adequately account for the role of history. Wight carefully disclaims that under the neoclassical theory, society's welfare is maximized *only* "given the existing resources and the current distribution of income and wealth."¹³¹ Put another way, Wight may as well have written that this theory of societal welfare holds "when we ignore disparities between rich and poor, (at least temporarily)" or "when we relegate any concept of equity to non-importance." At best, such a *ceteris paribus* assumption represents an ethical quagmire. At worst we might consider such a qualification morally repugnant. Yet most economists generally "believe that questions of income distribution should be treated separately from questions of efficiency,"¹³² because free markets can lead to efficient allocations for any given initial allocation of resources (i.e. income and wealth.)¹³³

Economists today often understand this neoclassical theory of welfare, and its related economic value of efficiency "as uncontroversial."¹³⁴ Yet in doing so, they ignore the fact that "a number of ethical precepts lie at the heart of these topics."¹³⁵ Ethical questions remain, and have always been a critical part of the analyses that the field generates. Without foundational assumptions about human nature and behavior—

¹³⁰ This ethical challenge presents particularly in the realm of environmental economics, given that current human consumption of fossil fuels threatens the future climate of the planet as a whole. Once again, this represents a topic for future consideration.

¹³¹ Wight, *Ethics in Economics*, 62.

¹³² Wight, *Ethics in Economics*, 62

¹³³ Wight, *Ethics in Economics*, 79-80

¹³⁴ Wight, *Ethics in Economics*, 77

¹³⁵ Wight, *Ethics in Economics*, 77

which we term economic anthropology—the field could never have developed as it has. And despite being dressed up in mathematical models, at the heart of this economic anthropology we still find, more or less, the self-interested *homo oeconomicus* (economic man) so commonly attributed to Adam Smith. As Jews, we must now ask how these anthropological notions, and their associated ethical dimensions, relate to the understandings embedded in *our* holy texts.

Jewish Economic Anthropology: The Role of Self-Interest

The ethical quandaries that surface from the doctrine of enlightened self-interest might not trouble us much, from a Jewish perspective, *if* we understand the relevant *halakhic* texts to convey an anthropology of *homo oeconomicus* that aligns well with the standard economic orthodoxy. Siegel and Ohrenstein both read Jewish sources as conveying such similar understandings, based primarily on their reading of the concept of *yeiṣer ha-ra'*, the evil impulse.¹³⁶

Siegel argues that the premise that human beings were created from the “two yetzers” constitutes the primary element of “rabbinic psychology.”¹³⁷ He then proceeds to define the good inclination (*yeiṣer ha-tov*) as “the source of the power of human beings to transcend their own self-interest,” and posits that the evil inclination (*yeiṣer ha-ra'*) “comprises the drive toward ego enhancement, selfishness, greed and idolatry.”¹³⁸ He continues his analysis by citing a version of a *midrash* (presumably Bereshit Rabbah 9:7, though he neither notes its original source nor the source of his

¹³⁶ Siegel, “A Jewish View of Economic Justice,” 338-339; Ohrenstein, *Economic Analysis in Talmudic Literature*, 46-50

¹³⁷ Siegel, “A Jewish View of Economic Justice,” 338. Powerfully, he also notes here that the word יצר itself contains an etymological connection to creation or formation.

¹³⁸ Siegel, “A Jewish View of Economic Justice,” 338-339

translation—both of which must be considered an unfortunate oversight) along with the following interpretation:

It is true that business and economic ventures, toil, and labor are the outcome of the baser motives of human nature. The drive to create and accumulate wealth is pushed by the desire to have more and to be above others. From this point of view it is the result of *yetser hara*. Yet when people channel this drive for ego enhancement into hard work, daring, invention, risk, and dedication... the sum total of the world's goods is increased. In this view, the evil inclination is entitled to be called good... [because] it can lead to good.¹³⁹

This analysis closely echoes Smith's own understanding of the "invisible hand" turning private vices into public virtues. It is no wonder that Siegel concludes:

the anthropology of economics characteristic of Judaism is very similar to the classical free-market outlook. Human desire for ego enhancement works to create more and more wealth. Adam Smith's "invisible hand" recognizes the same irony: that evil—perhaps against its own will—thus serves the good. And as Smith knew, this ambiguity requires laws and safeguards...¹⁴⁰

Ohrenstein offers a similar understanding, though he dedicates considerably more linguistic real estate to the task. He summarizes two different talmudic passages which each relate the same tale conveying the importance of the evil inclination.¹⁴¹ He does so by writing "The Fable of the Evil Impulse," in full poetic verse. Ohrenstein presents the poem as an homage to Bernard Mandeville, whose "Fable of the Bees" (1705) expressed similar convictions about individual self-interest (a vice) leading to unintended positive consequences.¹⁴² Ohrenstein's detailed analysis spans a range of primary sources, and presents at least two important conclusions. First, he differs slightly from Siegel's take by emphasizing the role that individuals must take in harnessing their own impulses and instincts. The underlying concept of the two impulses acts in the following way:

¹³⁹ Siegel, "A Jewish View of Economic Justice," 339

¹⁴⁰ Siegel, "A Jewish View of Economic Justice," 339

¹⁴¹ Yoma 69b and Sanhedrin 64a, respectively.

¹⁴² Ohrenstein, *Economic Analysis in Talmudic Literature*, 47-48

Although there are forces of a polarizing nature within any individual—benevolence and passion, righteousness and wickedness, ignorance and erudition—these forces are not necessarily mutually exclusive... certain propensities that might be regarded as “evil,” or morally debasing, are more correctly understood as “impulses,” or natural instincts... What matters is how the impulse or natural instinct is utilized by the individual person.¹⁴³

But as he continues to then demonstrate the way that these talmudic texts anticipate

Mandeville and Smith, he ultimately concludes quite similarly to Siegel:

The rabbis, it is clear, would find nothing strange in Smith’s doctrine of an “invisible hand.” That hand, in their understanding, is the hand of Divine Providence which has deliberately fashioned human nature to produce the sort of unintended consequences that impressed Smith... both concepts relate the economic interests of the individual to those of society, partly by reference to unintended consequences.¹⁴⁴

Levine initially advocates for a starker contrast between self-interest in the classical

Halakhic framework and self-interest in the economic discipline. In the opening chapter of *Economics and Jewish Law*, he argues as follows:

While Judaism fully appreciates the social usefulness of the self-interest motive, it rejects the notion that the marketplace is a self-regulating mechanism... While the evil impulse impels man to behave in an acquisitive, covetous manner, the good impulse directs him towards selfless and righteous conduct. Divinely approved behavioral standards can be achieved, Judaism teaches, **only by constantly encouraging the good inclination against the evil impulse.** Notwithstanding its characterization of the acquisitive motive as an intrinsically debasing force, Judaism neither denies the selfish impulse a useful purpose in society nor places this proclivity completely outside the category of virtue. Talmudic recognition that the acquisitive motive contributes in some measure to the material advancement of society is evidenced by the observation that were it not for the evil impulse, no man would procreate, build, or engage in business enterprise...¹⁴⁵

¹⁴³ Ohrenstein, *Economic Analysis in Talmudic Literature*, 48

¹⁴⁴ Ohrenstein, *Economic Analysis in Talmudic Literature*, 54

¹⁴⁵ Levine, Aaron. *Economics and Jewish Law*. (New York: Yeshiva University Press, 1987), 5-6. Emphasis mine.

This approach calls for human beings to choose, actively, "to sublimate" the base, greedy side of the evil impulse "into acceptable channels."¹⁴⁶ On its face, then, Levine takes a more cautious approach than the other scholars. He seems to incorporate a sense of human agency that in fact would represent a significant step *away* from the economic orthodoxy. If humans are meant to channel their self-interest motives, then an economic understanding that treats such motives as inevitable should be rejected. Yet the way he treats the value of efficiency belies this acknowledgement of the deterministic understanding of self-interest in the economic field. In this volume, he dedicates a chapter to efficiency.¹⁴⁷ This sets the ground for his later work, where he elevates efficiency to the category of "religious duty:"

In economic terms, efficiency results when the problem-solver manages to maximize benefits and minimize costs within the constraints set. In the Torah society, efficiency is never an absolute value... Nevertheless, within its proper halakhic sphere of operation, efficiency takes on the character of a religious duty both in the formulation and the implementation of economic public policy.¹⁴⁸

There, he continues to describe a view in which cost-benefit criteria can be applied to "evaluat[e] the worthiness of economic public policy," and he details an argument linking the value of efficiency to *halakhic* rulings on fraud.¹⁴⁹ Yet as I have already established, the existence of a mathematically demonstrable value of efficiency *relies* on a self-interested economic anthropology. The possibility for markets to generate *efficient* outcomes exists because of the assumption that humans will, inevitably and by

¹⁴⁶ Levine, *Economics and Jewish Law*, 6

¹⁴⁷ Levine, *Economics and Jewish Law*, 159-182. This chapter addresses "allocational efficiency" for firms and "X-efficiency," or "the ability of the firm to motivate its personnel to perform at their maximum potential" (159). Levine also addresses technological innovation here (172-177) and concludes "that new technology should be introduced into society in a gradual manner" because "it avoids the severe dislocation and social trauma often concomitant with rapid economic change" (174). Naturally, this assessment of Levine's approach to the self-interest motive and the related value of efficiency writ large can only represent a survey of his work on the topic.

¹⁴⁸ Levine, *Economic Public Policy and Jewish Law*, 3

¹⁴⁹ Levine, *Economic Public Policy and Jewish Law*, 5, 6-7

rule, act (rationally) to maximize the satisfaction of their preferences. Levine seems to elide this determinism in his approach to efficiency, and this significantly undercuts his own recognition that Jewish law insists on cultivating a good impulse which will harness the negative side of the evil inclination.

In summary, both Siegel and Ohrenstein interpret the Jewish economic anthropology to align with that espoused in the contemporary discipline. Levine initially offers a more nuanced approach, but ultimately treats the value of efficiency in a way that belies such nuance. Together, they present a reading of the evil impulse that does not interfere or significantly object to the approach used by the contemporary economic orthodoxy.

דבר אחר Another Read on Self-Interest

Despite these scholars' understanding that the concept of the evil impulse aligns Jewish economic anthropology with Smith and the economic field at large, this can hardly be considered a foregone conclusion. A *midrash* found in *Bereishit Rabbah* arguably presents the most important text in the debate:

רבי נחמן בר שמואל בר נחמן בשם רב שמואל בר נחמן אמר הנה טוב מאד זה יצר
טוב והנה טוב מאד זה יצר הרע וכי יצר הרע טוב מאד אתמהא אלא שאלולי יצר הרע
לא בנה אדם בית ולא נשא אשה ולא הוליד ולא נשא ונתן וכן שלמה אומר כי היא
קנאת איש מרעהו

Rabbi Nahman bar Shmuel bar Nahman taught in the name of Rav Shmuel bar Nahman: "Behold, [it is] very good" (Gen. 1:31) this [refers to the] inclination toward good (*yeiṣer ha-tov*). "And behold, [it is] very good," this [refers to the] inclination toward evil (*yeiṣer ha-ra*). But how can it be that the inclination towards evil [is actually] very good? How strange!¹⁵⁰ Except that without the

¹⁵⁰ Jastrow, *Dictionary*, s.v. "אתמהא". The exclamation אתמהא, stems from the root indicating "wonder" or amazement.

inclination towards evil, man¹⁵¹ does not build a house, and does not marry a woman, and does not father [children], nor does he engage in business! And thus [King] Solomon taught [in the book of Ecclesiastes] “for it is the jealousy of man for his neighbor” (Eccl. 4:4).¹⁵²

The passage appears in a chapter of *Bereshit Rabbah* dedicated to interpreting the end of the first chapter of Genesis, specifically this verse: “וירא אלהים את כל אשר עשה והנה טוב מאד, and God saw **all** that God has made, and behold it was very good!”¹⁵³ This and other *midrashim* in the chapter then addresses a number of things that do not seem “very good,” but in fact should be considered as such. In this context, this *midrash* interprets the very drives towards production—both sexual reproduction, and economic production—to stem from the *evil* inclination, *yeiṣer ha-ra’*. From a contemporary vantage, the *midrash* does not seem to offer rationale for why these things might be associated with *yeiṣer ha-ra’*. The passage cited from Ecclesiastes intimates that it may be related to jealousy: that were it not for such jealousy of one towards his neighbor, people wouldn’t engage in these types of productive activities. But our natural instinct to eat, for instance, which we satisfy through engaging in business, or the instinct to procreate fueled by sexual desire, cannot strictly be a reaction to others’ needs. Moreover, the immediate biblical context of the creation of human beings states that God *blessed* them with fertility, dominion of the animals, and control of all the seed-bearing plants for food.¹⁵⁴ Only *then* does the text add that “God saw **all** that God had made.”

¹⁵¹ Heb. אדם, literally “humankind” but contextually the grammar indicates that the *midrash* here refers to a singular man.

¹⁵² Bereshit Rabbah 9:7

¹⁵³ Gen. 1:31, emphasis added.

¹⁵⁴ Gen. 1:28-30

The context of the proof-verse from Ecclesiastes leads us in a different direction. Traditionally attributed to King Solomon at the end of his life, the fleeting, temporary, and generally transient nature of life stands as one of the central themes of Ecclesiastes. The book opens with it:

הבל הבלים אמר קהלת הבל הבלים הכל הבל מה יתרון לאדם בכל עמלו שיעמל
תחת השמש

Breath after breath,¹⁵⁵ declares *Kohelet*, breath after breaths, all is mere breath. And what benefit [is there] for man in all the work that he labors under the sun?¹⁵⁶

Throughout the 12 short chapters of Ecclesiastes, the text reiterates this theme of *hevel*, breath or vapor, no less than 33 times, including the verse cited as proof-text in the *midrash* above. The *midrash*, however, in typical fashion, only uses part of the verse:

וראיתי אני את-כל-עמל ואת כל כשרון המעשה כי היא קנאת איש מרעהו גם זה
הבל ורעות רוח

And I have seen all the labor, and all the skillful work, **for it is the jealousy of man for his neighbor:** this too is fleeting (breath/*hevel*) and pursuit of wind.¹⁵⁷

This contextual understanding, then, suggests another reason that the human drives towards both economic and sexual production are to be considered the domain of the evil inclination: they are ephemeral. On the one hand people labor a great deal to produce: both to produce food and shelter that sustain life, and to produce new human life itself. Naturally occurring jealousies may even inspire such labors. Yet despite humans' unparalleled ability to sustain physical life, and even to create it, we still ultimately arrive back to the dust from which we came. All of our material pursuits ultimately amount, for Ecclesiastes, to *hevel*, to ephemeral mist. Thus one distinct

¹⁵⁵ This phrase may be best known using different translations. The King James version renders it as "vanity of vanities" and JPS offers "Utter futility." The latter fits better with the literal meaning of the word as vapor or breath, but here I have opted for a more literal translation of the term which conveys its vaporeal, airy quality.

¹⁵⁶ Eccl. 1:2-3

¹⁵⁷ Eccl. 4:4

possibility that emerges from this core text of Jewish economic anthropology holds that these desires are “evil/*ra’*” not *because* of their self-interest, but because the self-interest and jealousy that fuels those urges are fleeting.

Even if one disregards this alternate reading on the concept of the evil inclination, both Siegel’s and Ohrenstein’s analyses, respectively, seem to fall victim to the influence of contemporary economic anthropology upon their reading of the Jewish approach, rather than taking the latter on its own terms. Siegel, for instance, reasons that any economic behavior must be defined by reaction to scarcity. Even *before* bringing the *midrash* to bear on his analysis, he assumes this when he writes that “in reality, economic life is a struggle that includes the inevitable human drive for gain at the expense of others.”¹⁵⁸ This “reality,” in turn, demonstrates the need to ground economic activity in a legal system that will “restrain and inhibit the inevitable sins that humans commit against each other.”¹⁵⁹ But perhaps his view aligns so well with the economic anthropology of the contemporary field precisely because it has been informed by that anthropology. “The drive to create and accumulate wealth”¹⁶⁰ need not be understood to stem from competition with other humans. We might understand it simply as part of the way God created humanity in God’s own image, imbued with a spark of creativity and ingenuity. Love of life, along with the desire and ability to sustain it, were built into the first humans according to a simple reading of the biblical narrative. The association of these drives with the “evil” inclination could be due to the fleeting nature of material wealth, devoid of connection to the eternal.

¹⁵⁸ Siegel, “A Jewish View of Economic Justice,” 337

¹⁵⁹ Siegel, “A Jewish View of Economic Justice,” 337

¹⁶⁰ Siegel, “A Jewish View of Economic Justice,” 337

Alternately, the “evil” of economic activity may simply be a warning about the *possibility* for those drives to be manipulated, rather than a declaration that they necessarily begin as “evil” in some fundamental way. Siegel notes correctly that these aspects of human economic activity “can be transformed into instruments of evil,”¹⁶¹ but it follows that this creates room for the good inclination; for humans to choose to act “for the sake of others or the sake of the whole.”¹⁶²

Ohrenstein hints at the role of choice when he interprets that “what matters is how the impulse or natural instinct is utilized by the individual person.”¹⁶³ Truly, the Jewish understanding of humanity does recognize that often times people act towards fulfilling their own self-interest. Yet every individual has the other instinct with which to harness the negative consequences of such actions. Thus free will—the ability of human beings to choose their actions in any given circumstance—also serves as a foundational element in any Jewish economic anthropology.

Jewish Economic Anthropology: The Role of Free Will

While aspects of determinism may appear in various corners of Jewish thought, they do not typically find much textual support. Given the importance to Judaism of the concept of sacred obligation, or *mišvah*, this should be fairly obvious. There would be no need to legislate proper behavior whatsoever if humans did not have the ability to freely choose whether or not to obey. Moreover, this capacity of humans to determine their own behavior has existed as long as humans have, stemming back even to the Garden of

¹⁶¹ Siegel, “A Jewish View of Economic Justice,” 339

¹⁶² Siegel, “A Jewish View of Economic Justice,” 339

¹⁶³ Ohrenstein, *Economic Analysis in Talmudic Literature*, 48

Eden, where Eve eats the fruit despite God's instruction to the contrary.¹⁶⁴ Free will, it seems, was built into the DNA of all humans according to Jewish tradition, and such freedom unquestionably applies to behavior in the economic realm as in any other.

Later in the narrative, we learn that God has given the children of Israel Torah—instruction fused with narrative—indicating how we ought to use our freedom of choice. Critically, part of that very instruction includes broad reasons to follow the very laws embedded in the Torah, including the laws pertaining to economic behavior. These reasons appear throughout the legal material, and they range from the need for gratitude that God brought the Israelites out from Egypt, to fear of the punishments that God might inflict for disobedience.¹⁶⁵ The end of the book of Deuteronomy relates one passage in particular which merits more thorough analysis in our context:

ראה נתתי לפניך היום את החיים ואת הטוב ואת המות ואת הרע אשר אנכי מצוך היום לאהבה את יהוה אלהיך ללכת בדרכיו ולשמר מצותיו וחקתיו ומשפטיו וחיית ורבית וברכך יהוה אלהיך בארץ אשר אתה בא שמה לרשתה ואם יפנה לבבך ולא תשמע ונדחת והשתחית לאלהים אחרים ועבדתם הגדתי לכם היום כי אבד תאבדון לא תאריכון ימים על האדמה... העידתי בכם היום את השמים ואת הארץ החיים והמות נתתי לפניך הברכה והקללה ובחרת בחיים למען תחיה אתה וזרעך

See, I have put before you today life and goodness, death and evil; that I command you today to love the Eternal your God, to walk in His ways, and to observe His commandments, his laws and rulings, that you will live and multiply and the Eternal your God will bless you in the land into which you come to inherit. But if you turn your heart, and you do not listen, and you stray and bow to other gods and worship them, I have told you today that you will perish and

¹⁶⁴ Gen, 3:6. It seems symbolically important to mention here as well that the “tree of knowledge” from which the woman eats and feeds the man is called in full “the tree of knowledge of good and evil.” Thus eating from such a tree and gaining such knowledge seems only to strengthen the notion that humans have the capacity to choose good, because the ability to choose in the first place resulted in the internalization of the possibilities of right and wrong action.

¹⁶⁵ cf. Ex. 20:2-5 or Num 15:37-41

die¹⁶⁶, and you will not lengthen your days upon the land... I call the heavens and earth to witness that I have placed life and death before you, blessing and curse, that you should choose life for the sake of your life and your offspring.¹⁶⁷

Setting aside the narrative element about entering the particular land of Canaan/Israel, this passage reveals a great deal about the importance of choice in any Jewish economic anthropology. First recall that we might define economics as the study of the actions necessary to sustain life (i.e. production, consumption, and distribution of material goods). This passage sets forth, in no uncertain terms, the notion that the children of Israel must *choose* to sustain life. We are to do this by trying to walk in God's ways and bring Torah into our lives. But the ability to follow God and choose life comes with the risk that we may go astray, after some other "god" that only appears to offer sustenance. Money itself might represent one such other "god." But following after money may appear to result in life, but in fact will lead to life's opposite. The precepts contained within Torah, then, are designed to illuminate for us, as human beings, the steps required to sustain life itself—this is the essence of walking in God's paths.

One might object that such a passage belongs not in a discussion of economic anthropology, but rather in the following chapter on economic theology. Truly, the boundaries of these concepts are porous. In this particular primary text, such an argument presents a valid critique: this passage relies on the entirety of the Torah narrative and legal material to lend power to its message. It seems to reflect an understanding of God as the One who metes reward and punishment, more than it reflects an understanding of humanity. What's more, the simple meaning *does* imply

¹⁶⁶ Literally "perish and die" may be rendered "surely die" or "surely perish." The Hebrew stems from the same root, ד-ב-א, indicated death or loss, and utilizes the construct infinitive (מקור מוחלט) which lends any given passage extra emphasis. Here I have used two words to convey the severity which such a construct offers in the original, and which "surely" or "certainly" seem inadequate to express given the context.

¹⁶⁷ Deut. 30:15-19

that the death which follows from failure to obey God's laws will be a direct punishment from God. Yet one can also read this passage as a human-authored warning about the importance of choice—of heeding the voice of *yeișer ha-tov*, the good inclination, rather than allowing *yeișer ha-ra'*, the evil inclination to rule out. Such a reading need only maintain that the narrative-legal fusion of Torah contains economic teachings and values that, when followed, help to sustain human life. The connection of this passage to land, moreover, whose material produce literally sustains life supports the possibility of such a reading. "Choose to follow these (economic) laws," the passage says, "for this will allow you to sustain both your own lives and the lives of future generations." Such an interpretation fits quite well as part of a Jewish economic anthropology, because the ability to choose, along with the existence of consequences stemming from our behavior, represent a central element of the Jewish view of humanity that undergirds all economic activity.

Towards an Ethic of Suspicion

Ultimately we must reject the claim of scholars, such as Siegel and Ohrenstein, that "the anthropology of economics characteristic of Judaism is very similar to the classical free-market outlook."¹⁶⁸ Both systems unquestionably contain economic anthropologies—fundamental understandings of human nature and behavior in the economic sphere. Both systems even take great care to explore the question of acting towards one's own self-interest. "The classical free-market outlook"¹⁶⁹ relies on a metanarrative which maintains that human beings will *necessarily* act in ways that further their self-interest.

¹⁶⁸ Siegel, *A Jewish View of Economic Justice*, 339

¹⁶⁹ Siegel, *A Jewish View of Economic Justice*, 339

Were it not for this understanding of humanity, the discipline could not have evolved into the mathematical, analytic discipline we know today. This metanarrative holds power in its statistical impressiveness and precision. It even generated new values to which economic law and policy could aspire (i.e, efficiency).

In truth, our concept of the evil inclination *does* lend credence to the belief that at times humans act in ways that further our self-interest, and even ways that can be understood as satisfying utilitarian preferences. But the premise that the evil inclination guides economic activity requires us to determine what links “evil” with “economic activity.” It could be related to the tendency to forget the ultimate aim of sustaining and preserving life in the pursuit of (rational) self-interest. It could stem from the ephemeral nature of life. This ambiguity reflects the multivocality at the heart of our textual tradition.

Even if one held with Siegel or Ohrenstein, however, that Jewish law and economic thought align well on the question of self-interest, Jewish law would struggle, at the least, with the determinism inherent in an “invisible hand.” The classical *Halakhic* understanding of human action cannot ignore free will, and the consequences of human action. Even if we are, in part, hard-wired to act “evilily,” pursuing the maximization of our preferences, we are also endowed with freedom of choice. In the economic realm, as in every other area of life, we are tasked with “choosing life,” and our disobedience carries grave consequences.

What, then, is the contemporary Jew to do with the contradictory nature of the economic anthropologies between the Jewish system and the academic discipline? One answer, I believe, may be found in applying an ethic of suspicion. Such an ethic does not

ignore or reject economic research—quite the contrary. Applying an ethic of suspicion to topics in economic discourse simply requires one to recognize and diligently scrutinize the ethical questions inherent in economic policy-making. The ethic of suspicion reminds you constantly that economic analyses are never divorced from moral questions.

In popular economic discourses today, this ethic seems absent. Many of the ethical challenges of the self-interested economic anthropology go unnoticed. Politicians refer to the “invisible hand” of the market as they advocate their preferred policies.¹⁷⁰ Efficiency parades as a value-neutral policy goal. Few ever discuss the ways that economists *have* complicated and improved the discipline to account for the ethical questions. An ethic of suspicion aims to correct for this, and a Jewish ethic of suspicion aims to do so, in the words of Cohen, from “within a tradition.”¹⁷¹

Such a Jewish ethic suspects that economics doesn’t *have* to be about rational action and scarcity. “Perhaps,” it whispers, “our tradition calls us to think about it in terms of sustaining life.” It insists that while self-interest may win out sometimes, while the evil inclination may be strong, we also have a good inclination. We have choice in everything we do. We can heed the call of our *yeișer ha-tov*, our good inclination, in our buying and selling, our producing and consuming, just as we can in any other area of life. And when that ethic of suspicion encounters contemporary research or analysis that purports to ignore the presence of the good inclination in human beings, it prods one to speak out.

¹⁷⁰ One 2012 tweet by the current President of the United States serves as a useful exhibit in evidence, where he quoted Mitt Romney’s line “The invisible hand of the market always moves faster and better than the heavy hand of government.” <https://twitter.com/realdonaldtrump/status/257958080321572864?lang=en> (accessed 10/31/17)

¹⁷¹ Cohen, *Justice in the City*, 10

Importantly, a Jewish ethic of suspicion also holds up a magnifying glass to the economic laws embedded in the classical *Halakhah*. It inspects them for their lasting values, and simultaneously allows them to yield competing understandings. It recognizes changes in economic understandings as it identifies changes in the law in *both* systems. In this way, the ethic of suspicion paves the way for further systemic comparisons, and in the next chapter, I will apply it as I describe and compare the ways that Jewish economic theory understands the world at large.

Economic Theology: Law, Money, and Wealth

ויאמר יהוה אל אברם לך לך מארצך וממולדתך ומבית אביך אל הארץ אשר אראך...
ויקח אברם את שרי אשתו ואת לוט בן אחיו ואת כל רכושם אשר רכשו ואת הנפש
אשר עשו בחרן ויצאו...

And the Eternal said to Avram “Go forth from your land, from your place of birth, from your father’s house to the land that I will show you...” And Avram took Sarai his wife and Lot his nephew, and all their possessions that they came to possess and the souls they created in Haran and they set out...¹

The tale of Abraham²—the great forefather of the people Israel—still echoes in the ears of Jews the world over (and indeed, in the ears of Christians and Muslims as well.) From these very first scenes, the story carefully includes great detail about Abraham’s wealth. The narrative also makes clear its understanding that basically any and all material wealth represents a blessing from God. In the words of Eliezer in the home of Abraham’s kin Lavan and Bethuel:

יהוה ברך את אדני מאד ויגדל ויתן לו צאן ובקר וכסף וזהב ועבדים ושפחות וגמלים
וחמרים

And the Eternal blessed my master greatly and he has increased. And God has given him sheep and cattle, and silver and gold, and male and female servants, and camels and donkeys.³

In case the entourage of 10 camels did not make Abraham’s wealth clear enough, Eliezer doesn’t spare the details: he knows just how important it is for Abraham’s son to marry, and for Abraham to continue a line that will inherit this tremendous fortune.⁴

¹ Gen. 12:1, 5

² Interestingly, the name *Avraham* or *Avram* literally might mean something like “father on high,” אב ראם. And in the sense of his social position, there is no question that, according to the narrative, Abraham lived the high life in terms of his possessions. Some economists might even wonder whether he heeded God’s command out of a simple utilitarian calculus that doing so would maximize his material wealth. One might, by this reasoning, understand his willingness to leave his homeland for a better land not as some act of faith in God *per se*, but merely as rational response to the incentive of land whose produce would yield more than his current land(s).

³ Gen 24:34

⁴ Gen 24:10. In the biblical period, 10 camels might be equivalent to arriving in a Ferrari or another super luxury car today. Listeners would have a sense of Abraham’s wealth from these details as well as the notes specifically about money.

The positive understanding of wealth we find in this episode represents but one aspect of a multivocal textual tradition. Through both narrative details like this, and through its extensive legal codes, the classical *Halakhah* developed a range of attitudes about what constitutes wealth, about the source of wealth, and about proper behaviors that may be utilized in pursuit of wealth. Notice, though, that even such powerful and foundational narratives like this offer no precise definition of what constitutes wealth. In the verse quoted above, it refers to at least four categories of items: animals used for food or consumer goods, precious metals (money), servants (or generously put, human resources,) *and* animals used for trade. Beyond a lack of a definition of wealth, this story presents no guidance on how to acquire possessions, or what limits there might be in using them. The *halakhic* process has considered and developed its answers to these questions of economic theory over centuries. However, unlike the early political economists, *Halakhah* never aimed to establish a systematic theory of money or wealth. As it does with so many issues relevant to daily life, the process legislates and narrates different components of its theory with respect to their sources in the more ancient texts, building layer upon layer, with different elements contributing to the latent economic “theory.”

This chapter argues that the traditional *halakhic* system defines wealth only in its relation to sustaining life. Several layers of *halakhah* contribute to this core definition, but critically, the consequence of such a definition can be seen in the moral ambiguity around money. This chapter reveals some of the ways these understandings evolved over time, and highlights the gulf between the *halakhic* understanding and that utilized by the contemporary field of economics. Using Siegel’s categories, this chapter

elaborates on the components of the “theology of economics” that animate the ideal *Halakhic* system, and it analyzes how those components measure up against the implicit theology that operates in the contemporary field.

Recall that Siegel defines a *theology* of economics as “the general view of ***the world*** that is proposed as undergirding the activity of buying, selling, producing, and inventing.”⁵ Despite defining this as a *theology*, Siegel does not refer to God. This omission creates space to compare a Jewish theology of economics, or elements of it, with similar “theologies”—that is, views of the world, which serve as a foundation of the contemporary field. While academic economists might be wary of coining their “general views of the world” as a “theology,” they would simultaneously be hard pressed to deny the function of such views within the mathematic-analytic field that exists today.⁶

In the system of classical Jewish law, any such “view of the world” likely does imply certain beliefs about God as Creator of the world in which life and economic life take place. Any theology of economics, moreover, that aims to establish principles for how a given system understands *buying* or *selling*, must of necessity address what it means to possess or acquire material goods, and must contain some notion of what constitutes wealth.

⁵ Siegel, “A Jewish View of Economic Justice,” 338, emphasis added.

⁶ The challenges of environmental economics and natural resources economics in particular utilize foundational assumptions of how human beings are entitled to interact with the natural world. Beyond this, though, even such views that determine that more of something is better than less of it, or that humans are entitled to own property and establish laws which protect it, ultimately reflect basic views of the world that square well against Siegel’s understanding of what constitutes a “theology of economics.”

The Decalogue as Economic Theology

Given that legal structures help determine the “view of the world” in which economic activity can take place,⁷ I begin my examination of a Jewish economic theology by exploring some of the foundational legal norms in the system which aspires to regulate Jewish economic activity.⁸ Wilson utilizes this strategy as he begins his investigation of the economics of Judaism with the 10 commandments. Three of those, he reasons, contain a predominantly economic nature: the commandment to refrain from work on shabbat, and the prohibitions on stealing and coveting your neighbor’s possessions, respectively.⁹ Each of these indeed contains economic implications and conveys economic attitudes pertinent to this study. Yet the economic elements present in the decalogue gain prominence and staying power in the broader system and economic theology of *Halakhah* because of the place that these particular laws occupy in the narrative.

The people of Israel have just become free after suffering 400 years of slavery in Egypt. Moses’ negotiations with Pharaoh have resulted in unthinkable plagues—signs

⁷ We referenced this in chapter 1, but Wilson notes this directly (Wilson, *Economics, Ethics and Religion*, 5-6) as does Canterbury (Canterbury, *A Brief History of Economics*, 6).

⁸ At this point, it seems pertinent to acknowledge a tension throughout this work between the universal and the particular in the realm of economic halakhah. Some might argue that even if the analysis of a Jewish economic theology within this work were correct, I have gone too far in applying it normatively to the contemporary economic milieu. They might wonder whether the economic understandings of halakha can, in fact, reveal universal values or concepts, or if instead they must remain particular to the Jewish people, of no use to a secular society of diverse faith and cultural traditions. This tension will be particularly evident in the subsequent discussions of certain economic laws that have traditionally been interpreted to only apply to Jews (i.e. laws of interest and debt), and it was likely already evident in using particularistic texts to make inferences about human nature in the previous chapter. I will return to the relevant elements of this dialectic as needed. This remains an area for further exploration, but my working assumption can be summarized briefly as follows: Halakha, as a system, applies only to the Jewish people. In that sense, all of these laws are particular, and this analysis addresses a strictly Jewish economic theology. Yet the ostensible goal of *halakhot*, as systems which bring to life Jewish story and sacred obligation, is to enable Jews to sanctify *every* realm of life. Given that the boundaries between Jewish society and non-Jewish society are particularly porous in the economic realm, and have always been, it stands to reason that in at least some circumstances, sanctifying the economic realm by universally applying a value of the particularistic halakha could benefit society as a whole.

⁹ Wilson, *Economics, Ethics and Religion*, 25-27

and portents of God's might, and according to *midrash*, the people Israel see God's very self in the splitting of the sea.¹⁰ Then they arrive to Sinai, one of the first stops on their journey back to their ancestral land; the land God promised to Abraham and his descendants as their inheritance. At Sinai the people Israel meet God again, and this time they receive Torah. Despite the terrifying thunder and lightning theatrics of the encounter,¹¹ this moment which stands as the singular first moment of God's covenant with the people Israel also serves to present them with 10 commandments. To this day, for *halakhic* Jews, the revelation at Sinai represents the giving of *all* of the *Halakhah* that they practice and apply daily. Even many non-halakhic Jews understand the 10 commandments to represent some of the most basic normative ethical guidelines derived from our holy narrative. The climactic nature of the moment, then, lends even more weight to the economic implications of the 10 commandments.

Time, Property, and Greed

According to Wilson, the prohibition against working on shabbat represents the first economically focused commandment within the decalogue:¹²

זכור את יום השבת לקדשו ששת ימים תעבד ועשית כל מלאכתך ויום השביעי שבת
 ליהוה אלהיך לא תעשה כל מלאכה אתה ובנך ובתך עבדך ואתתך ובהמתך וגרך
 אשר בשעריך כי ששת ימים עשה יהוה את השמים ואת הארץ ... וינח ביום השביעי
 על כן ברך יהוה את השבת ויקדשהו

Remember the day of Shabbat for its holiness. Six days you shall labor and do all of your work, but the seventh day is a Shabbat for the Eternal your God—do not

¹⁰ cf. Mekhilta d'Rabbi Ishmael on Exodus 15:2. Of course, my retelling here juxtaposes a narrative tradition from a much later text onto an earlier one. Ultimately, however, such a choice has deep roots in Jewish tradition. The notion of *אין מוקדם ואין מאוחר בתורה* gave permission to rabbis from one generations to weave texts, written and oral, together in new orders to make new meanings from them. In making this literary choice here and elsewhere throughout this work, I embrace the principle.

¹¹ Exodus 19:16

¹² Wilson, *Economics, Ethics and Religion*, 25

do any work; neither you, nor your son or daughter, your male or female servant, nor the stranger amidst your gates. For in six days the Eternal made the heavens and the earth... and rested on the seventh day, therefore the Eternal blessed the Shabbat and made it holy.¹³

Several features of this law merit our attention. Traditionally, the *halakhic* process has understood this commandment to actually contain both a positive and a negative element. Positively, the people Israel are encouraged to work for six days.¹⁴ Jewish thought has always placed a great value on work. Providing for the material needs of life brings honor to the laborer. Negatively, one must *refrain* from work on Shabbat. This entails a ceasing of productive activity—a pause in the routines of material life to allow time for focus on one’s spiritual life. Appropriately, some “economists interested in the teachings of Judaism... take it as their starting point” because of the limits this commandment sets on productivity and use of time.¹⁵ Combined with additional holiday observances when work is not permitted, along with the obligation to study Torah, fulfillment of the commandment requires an attempt to balance the material and spiritual needs in the life of the people.¹⁶ Sedlacek maintains that this attention to balancing labor with non-material needs represents one of the lasting economic contributions of the Hebrew Bible. The Sabbath is a “good example” of the need to set aside a “holy” part of life “in which it is not allowed to economize, rationalize, or maximize efficiency.”¹⁷ He continues:

¹³ Ex. 20:8-11

¹⁴ Whether they are commanded or not seems open to interpretation. Ibn Ezra’s commentary on the verse (Ex 20:8) explicitly stipulates “מותר לך לעבד ואיננה מצווה”, it is permitted to work and it is not a *mitzvah*/commandment.” He uses language of permission and many classical commentators seems happy to oblige such an understanding.

¹⁵ Wilson, *Economics, Ethics and Religion*, 25

¹⁶ Wilson, *Economics, Ethics and Religion*, 25-26

¹⁷ Sedlacek, *Economics of Good and Evil*, 88

The observance of the Sabbath bears the message that the *purpose of creation was not just creating* but that it had an *end, a goal*. The process was just a process, not a purpose. The whole Being was created so that we may find in it rest, accomplishment, joy... Translated into economic language: The meaning of utility is not to increase it permanently but to rest among existing gains... This dimension has disappeared from today's economics.¹⁸

As noted in the previous chapter, Sedlacek occasionally presents a flawed understanding of what the “Old Testament” contributes to the history of economic thought.¹⁹ In this case, however, he accurately highlights the importance and meaning of Sabbath rest as presented by the first occurrence of the decalogue. Codes of law found in the Hebrew Bible do not often specify reasoning for any particular commandment, yet here, there is explicit reasoning which can be paraphrased as follows: “God made the world in six days, and rested on the seventh. That’s why God blessed that day, and commanded you this.” Thus the Covenant Code legislates with an eye toward *imitatio Dei* in its reasoning for Sabbath rest. This theological principle returns time and again in the efforts to understand economic theory and ethics within the scope of traditional

¹⁸ Sedlacek, *Economics of Good and Evil*, 89

¹⁹ In part this reflects the unfortunate fact that his research on “economic thinking in Judaism” relies primarily on Weber, Sombart, and Marx, along with what I presume are his own readings of the Hebrew Bible, most likely in translation, though he does not note which translations he uses. (Sedlacek, *Economics of Good and Evil*, 45 n. 2) He seems to be aware of Tamari’s 1997 article “The Challenge of Wealth” which appeared in *Business Ethics Quarterly* (see bibliography page 338) but does not mention or cite Tamari’s full length books, *With All Your Possessions* or *The Challenge of Wealth*, respectively. One critical flaw of Sedlacek’s reading lies in his misunderstanding the nature of the Hebrew bible. He seems to assume that Israelite religion was fairly systematic and unified—that the texts found in the “Old Testament” represent some sort of unified voice or even perhaps an historical account Israelite religion. He thus ignores contemporary theories on authorship and redaction of the Hebrew Bible which suggest that the texts that form the canon are a composite of texts from different schools of authors and redactors operating in different historical periods over centuries. In turn, his analysis often mistakenly presents a more systematic understanding of the economics of Judaism as presented by the “Old Testament” than critical scholarship on the sources themselves would actually justify.

Halakhah.²⁰ Curiously, The Deuteronomic Code offers *different* reasoning for the commandment to refrain from work on Shabbat in its rendition of the decalogue:²¹

זכרת כי עבד היית בארץ מצרים ויצאך יהוה אלהיך משם ביד חזקה ובזרע נטויה על
כן צוך יהוה אלהיך לעשות את יום השבת

Remember that you were a slave in the land of Egypt and the Eternal your God brought you out of there with a strong hand and an outstretched arm, therefore the Eternal Your God commanded you to make the Shabbat day.²²

Similar to the iteration in Exodus, the requirement of rest on the 7th day in Deuteronomy applies to sons, daughters, labor, and farm animals. None are exempt, because none can be objectified as mere means of production. Yet here the text enjoins the Jewish people to recall their story. It reminds the individual that this brief weekly pause in labor intends to remind the Israelite of her former enslavement; it serves as a warning not to allow any one to become economically enslaved to his own material growth.

The other two commandments of the decalogue that Wilson notes as explicitly economic in nature are the negative injunctions against theft, and against covetous thoughts, respectively.²³ The prohibition of stealing serves as a prerequisite for any

²⁰ Both Tamari and Levine present fairly extensive discussions of *imitatio Dei* and its role in guiding ethical economic praxis within the classical halakha. Tamari (*With All Your Possessions*, 243) includes it as part of the “conceptual framework of the Jewish welfare system” and references it again in his chapter on economic obligations to others and to society writ large (*Challenge of Wealth*, 150-151). Levine goes as far as to call *imitatio Dei* the “guidepost for economic public policy in the Torah society” (*Economic Public Policy and Jewish Law*, 12).

²¹ Exodus 20 presents the first instance of the decalogue in the Torah, and Deuteronomy 5 presents the second. In the traditional halakhic framework, these represent one revelation. Thus in the attempt to piece together the components of a Jewish theology of economics, we can understand them to have interrelated meanings. Yet critical scholarship notes important differences between the two presentations, and indeed between the three central codes of law found in the Hebrew bible: The Covenant Code of Exodus, the Levitical Code, and the Deuteronomic Code. Accordingly, this analysis will note relevant differences but may still treat them collectively as a singular source which fueled halakhic development over the centuries.

²² Deut. 5:15

²³ Wilson, *Economics, Ethics and Religion*, 25-26

market-based economy.²⁴ In order for markets to function properly, people must be able to own property with some degree of security. They must then be able to use their property and dispose of it according to their incentives—price or otherwise. Property rights have never been absolute in Jewish law.²⁵ In fact, the most relevant aspects of this area of *halakhic* economic law for ethical analyses can be found in the various limits placed on property rights.

The final commandment of the decalogue warns one not to covet a neighbor's wife or possessions.²⁶ According to Wilson, this “goes well beyond prohibiting theft, by making envy, the thought as well as the deed, a sin.”²⁷ To the extent that this commandment seeks to diminish the desire for more, it seems that it does indeed represent a vital component of any Jewish economic theory. It aims to teach that there ought to be limits to our material demands and desires. The reminder not to lust²⁸ after the goods which belong to others helps lead towards what Tamari calls an “economics

²⁴ The definition of property rights, along with an understanding of how they operate in any given society, actually serves as a prerequisite for *any* economic activity, not just market-based activity. A full exploration of this principle falls beyond the interest of this analysis, as any comparison of halakhic economic theory with the contemporary field presumes at least a partially market-based economy. Suffice to say that the question of property rights' impact on economic activity lies at the heart of the study of law and economics.

²⁵ See Tamari, *With All Your Possessions*, 51-53 for a brief discussion of this. In fact, categorizing and delineating all the various limitations to property rights would be an interesting area for further work in economics of halakha, and indeed in economic ethics of halakha.

²⁶ In both instances of the decalogue, the neighbor's wife is listed alongside his possessions in this injunction. The intersection of gender theory and economic theory within *Halakhah* represents a realm unto itself, and a realm that falls beyond the capability of this analysis to adequately address. Suffice for now to say that there exists sufficient scholarship on the treatment of women as property in ancient society and in classical Jewish law, and that this author's understanding of the economic theory embedded in *Halakhah* must be applied in an egalitarian fashion for it to have any normative consequence for society today.

²⁷ Wilson, *Economics, Ethics and Religion*, 26-27

²⁸ The Deuteronomic code actually uses a different verb in its rendition (Deut 5:18) than the verb traditionally rendered as covet. There it states לא תתאוה בית רעך - you should not lust after or crave your neighbor's home. According to my understanding of the lexical range of the verb תתאוה, this actually conveys and stronger and more forceful commandment. The lust תאוה that is being prohibited is the exact same lust that the Israelites have over quail in the desert—it refers not to a sexual lust but to a desire for boundless consumption, for endless satiation of physical needs. (See Num 11:4).

of enough.”²⁹ The tradition sets limits—to production on Shabbat, and to the very goods which we ought or ought not demand—so that humans refrain from always seeking more and more; so that we might find joy and gratitude for what we have; so that we might “rest among existing gains.”³⁰

Divine Ownership, Human Partnership

Despite the fact that Wilson does not analyze any of the other commandments of the decalogue for their economic importance, they invaluablely illustrate some critical features of the theology of economics at work in *Halakha*. At first glance, the first commandment—that God is the only God—may not seem to contain economic implications. As traditionally understood, it represents a statement of belief.³¹ Even Siegel’s description of the Jewish theology of economics does not refer to this commandment at all. Instead he notes the unfinished nature of creation, and man’s partnership with God, as the central factors fueling the “positive approach to the goods of the world.”³² But a narrative understanding of the first commandment shows its economic importance:

אנכי יהוה אלהיך אשר הוצאתיך מארץ מצרים מבית עבדים

I am the Eternal your God *that brought you from the land of Egypt from the house of slaves*.³³

²⁹ Tamari, *The Challenge of Wealth*, xxiv; 127-145.

³⁰ Sedlacek, *Economics of Good and Evil*, 89. Sedlacek’s concept of “Sabbath economics” (*Economics of Good and Evil*, 244-246) may have a close parallel in Tamari’s “economics of enough.” For Sedlacek, “the solution we might seek is therefore not asceticism, but rather Sabbath economics... Mankind is caught between the tendency to change the reality around it and to be satisfied with what it has, the progress it has made... It is paradoxical that this had to be a commandment... But there is probably something in our nature that has a tendency to permanently work—to maximize—and this is why this commandment had to be a commandment.” (*Economics of Good and Evil*, 244-245)

³¹ See, for instance, Maimonides’ *Mishneh Torah*, *Sefer HaMadda*, chapter 1, *halakhah* 1.

³² Siegel, “A Jewish View of Economic Justice,” 338

³³ Ex 20:2, emphasis added.

The text situates God into the *economic* narrative of the children of Israel. Instead of being slaves to the Egyptians, the children of Israel become servants only to God.³⁴ Instead of enduring harsh labor without any enjoyment of its fruits, the children of Israel are to inherit a land of their own, whose bounty will be theirs as a result of their labor. They go from work that threatens their lives to work that might sustain and protect them.

God's gift of economic freedom, however, comes with strings attached. As Redeemer from Egyptian bondage, God becomes the true *owner* of any and all wealth that the children of Israel come to possess and create. Newly freed, the children of Israel have the luxury of enjoying any bounty of the earth that they produce. They have the privilege of being *partners* with God in the ongoing creation and re-creation of the world through human ingenuity, but ultimately true wealth comes to existence only by God's generosity. Several scholars describe this component of the Jewish economic theology.³⁵ Tamari goes as far as to write that "the Divine origin of wealth is the central principle of Jewish economic philosophy."³⁶

Naturally, we see this aspect of a Jewish theology of economics in a number of primary sources *beyond* the decalogue. The Priestly writer puts it quite succinctly in Leviticus 25 amidst the laws the sabbatical and jubilee years (a decidedly economic topic to which we will return,) when God declares "כי לי הארץ כי גרים ותושבים אתם"

³⁴ Cohen titles his first chapter "Acting like Pharaoh or Acting Like God" (*Justice in the City*, 27-38) and Jacobs, similarly, titles her chapter on labor law "Servants to Servants or Servants to God: Workers, Employers, and Unions" (*There Shall Be No Needy*, 97-131)

³⁵ c.f. Wilson, *Economics, Ethics and Religion*, 27-32; Tamari, *The Challenge of Wealth*, xxii; Neusner, *Economics of the Mishnah*, 117-118

³⁶ Tamari, *With All Your Possessions*, 36

עמדי, for the land is mine, and you are strangers who dwell me.”³⁷ The psalmist proclaims, “השמים שמים ליהוה והארץ נתן לבני אדם, the heavens are the heavens of God, Who gave the earth to humankind.”³⁸ Through creation of the world, God gave earth and its productive potential, to human beings. Through freedom from slavery, God allowed the children of Israel a freedom to serve only themselves and their God with their labor. The psalmist continues with a reminder that “לא המתים יהללו יה, the dead will not praise God.” Only the living have the capacity to sustain life, and this merits gratitude. The psalmist’s praise becomes rational economic action.

Taken as a whole, the divine origin of wealth and human partnership with God in its creation means that while we as Jews we may perceive ourselves to *own* goods or land, we are always, at best, co-owners or stewards of God’s wealth.³⁹ Siegel was correct that creation of wealth represents partnership with the Divine in the further creation and development of the world. His brevity, however, diminishes the fundamental importance of this belief. It is this very principle, in fact, which leads to the positive understandings and relationship with material goods that characterizes a Jewish theology of economics. Sedlacek suggests that it was this understanding which led to the development of anti-ascetic thinking in economic thought more broadly:⁴⁰

...the body and the material world—and therefore the economic world—is the creation of a good God. The land, the world, the body, and material reality are for

³⁷ Lev. 25:23

³⁸ Ps. 115:16

³⁹ We see this in regulations on the corners of one’s fields and other agricultural taxes meant to provide for the poor (i.e. Lev. 19:9-10). The corners may seem to be “mine” at first, but in fact they do not belong to me. They are the property of society and of its most economically disadvantaged members.

⁴⁰ Sedlacek, *Economics of Good and Evil*, 49-52

Jews the paramount setting for divine history, the pinnacle of creation. This idea is the *conditio sine qua non* of the development of economics...⁴¹

Unlike other ancient traditions, he argues, the thought embedded within the Hebrew Bible did not laud poverty or show any disdain for the physical satisfaction of material needs. Since living and acting in response to the physical needs of life represent a fulfillment of a partnership with the Divine, material success and bounty as represent God's blessing. Several additional scholars note the lack of idealization of poverty within the *Halakhic* system.⁴² Curiously, one might even argue that if God's blessing becomes manifest by the acquisition of material goods, then the inverse should also be true: those *without* wealth must be facing a punishment from God.⁴³ Jacobs explores the contours of this debate.⁴⁴ Ultimately she operates from the understanding that biblical and *halakhic* texts understand poverty as an *impermanent* reality of the agricultural economic cycle.⁴⁵ Moreover, "poverty may be the natural result of the refusal to abide by the commandments directly related to the acquisition and use of wealth and power."⁴⁶ While there are many implications of the Divine origin of wealth, it suffices here to note that this core principle already appears in the first commandment of the decalogue.

⁴¹ *ibid.*, 51

⁴² c.f. Jacobs, *There Shall Be No Needy*, 55-59; Tamari, *With All Your Possessions*, 30-31

⁴³ One memorable talmudic story pits a Roman, Turnus Rufus, against Rabbi Akiva to argue just that. Not only does Rufus suggest that the poor must be enduring punishment from God, but he argues that the wealthy must not help them because it would be contradicting God's own will. Akiva deftly upholds the notion that poverty *does* result from God, while softening the resultant choices and contradicting Rufus' conclusion: we *should* still support the poor, as God may take action in anger, but ultimately does not want to starve His children. The original story can be found in Bava Batra 10a, and both Tamari (*Challenge of Wealth*, 150-153) Jacobs (*There Shall Be No Needy*, 55-56) address its implications.

⁴⁴ Jacobs, *There Shall Be No Needy*, 16-17, 53-56

⁴⁵ Jacobs, *There Shall Be No Needy*, 52

⁴⁶ Jacobs, *There Shall Be No Needy*, 17

Extrapolating from the Decalogue

The remaining commandments of the decalogue also contain critical economic implications. The injunction not to worship *other* gods states that the Israelites “must not bow down to them or serve them—לא השתחוה להם ולא תעבדם.”⁴⁷ The word *serve* stems from the same etymological root as *work* or *worship*, which is also the same root as the word *bondage* from which the Israelites were freed. Thus if God liberated the people, giving them a first taste of economic freedom and the hope of prosperity, it stands to reason that *not* worshipping *other* Gods means not worshipping any other entities that might appear to offer economic freedom or the hope of prosperity. We need look no further than the central episode of Israelite apostasy to see the risk. Aaron and the Israelites create a calf made of gold and declare that to be the God “who brought them out of Egypt.”⁴⁸ Uncertain of the future, the Israelites turn to worship money, which they seem to implicitly understand as something that might have the power to sustain life. Just as *possessions* can be coveted, so too can money be imagined as a god in its own right, deserving of praise.

Honoring one’s father and mother relates directly to one’s ability to find his way in society or to learn a trade and support his own life through his labor. The prohibition of worshipping idols may have been theologically necessary, but rest assured that those who manufactured the idols in the ancient near east would not have been thrilled at the implementation of such a law. Even murder can be said to have an economic impact,

⁴⁷ Ex. 20:5

⁴⁸ Ex. 32:1-8

insofar as the loss of life represents the loss of productive potential in addition to causing emotional grief and trauma.⁴⁹

While the economic aspect of any given *halakhah* may merit scholarly attention, such a task lays beyond the reach of any one work. The preceding analysis does, however, illustrate some of the most foundational *Halakhic* understandings which govern the creation of anything which can be called wealth. They serve as the bedrock principles in any Jewish theology of economics. They shape the view of the world in which economic activity can take place.

Individuals ought to have a right to privately own property, and to engage in the creation of wealth. There are limits to this right, and those limits might even further define wealth itself. Yet the prohibition against theft establishes that economic activity should take place in a system that recognizes the right to private property.

Simultaneously, the system as a whole aims to *limit* what we might desire or demand. Shabbat limits productive activity by time—there is a time to work, and a time to rest. The final commandment seeks to reign in our desires. It calls out “do not covet;” do not lust after that which others have. More is not always better. We must find a way to be happy with our lot—שמח בחלקינו—if we truly want to appreciate any material wealth or riches we might earn or generate.⁵⁰

⁴⁹ Of course, some of these economic implications are descriptive. That is to say, they are economic insofar as we might assume that these or any other laws might have some impact on the economic behavior and circumstances in the world around them. We have no way of measuring the impact of anti-idolatry statutes on the incomes of idol manufacturers in the 10th century BCE, and this kind of question, while fascinating, represents a tangent to the core issues that guide this study. Here it will suffice to note that laws are always created within a given economic context. We cannot know with any certainty whether an economic custom shaped the law, or whether the law shaped an economic custom. What we can know, however

⁵⁰ The quote plays on m. Avot 4:1, which asks “who is rich? one who is happy with his lot.” This should not be taken to insinuate that such maxims of wisdom represent systematic statements of economic values. Rather, they do occasionally illustrate quite well the broader principles within the economic theory at work in the realm of classical *Halakhah*.

A third major undercurrent in the *Halakhic* theology of economics reminds us that God exists as a partner and co-owner in the creation of all material prosperity. Only with God's "strong hand and outstretched arm"⁵¹ did the children of Israel walk from the poverty of servitude to the freedom of working for their own sustenance. Worship and work that forget this truth violate the central meaning of being in covenant with the Almighty.

Together, these are the central legal principles that, in the *halakhic* tradition, allow *any* economic activity to take place. God created humanity with the capacity to reproduce and sustain their own lives through their work of the natural world. The Jewish people, having been freed to serve only God and themselves, have the right to their own produce (property rights), along with accepting restrictions on economic productivity. And all of this remains conditional upon their acknowledgment of God's ultimate ownership of all that they enjoy.

The preceding legal principles set the stage for *defining* wealth in relation to its life-sustaining capabilities. Life itself becomes the commodity of the highest value in this Jewish economic theology. At a broad, foundational level, the Jewish legal framework both sanctifies economic activity and restricts it, attempting to channel it towards the maintenance and reproduction of human life. The system balances the right of individuals to own property *and* the need to recall that ultimately any human ownership takes place in partnership with the Divine. It legislates in such a way that demonstrates *both* the blessing which economic bounty represents *and* the limits of any such prosperity. Production and consumption are both to be limited, because the

⁵¹ Deut. 5:14

ultimate goal of creation was not to expand forever but to find “rest among existing gains.”⁵²

Within such an economic theology—a view of the economic world—at least two additional elements of Jewish law support a definition of wealth in relation to its capacity to sustain life. First and foremost stands the *halakhic* skepticism of money as a store of value. The changes in the laws of interest and debt between the Torah and rabbinic law serve as evidence of this. Essentially, we can understand *Halakha* to employ its own ethic of suspicion when it comes to that feature of money. Beyond that, the importance of land and agriculture in the biblical economy attests to the importance of physical sustenance in defining wealth. In the remainder of this chapter, I elaborate on these aspects of Jewish economic theology. Before doing so, it helps to briefly tell the story of how the contemporary economic discipline understands the terms “wealth” and “value,” and the relationship between them.

Wealth and Value in the Economic Discipline

Like the question of self-interest, the question of what determines value intrigued economic thinkers long before Adam Smith. In the classical period and beyond, however, economists sought to develop systematic theories to understand and predict precisely what determines the *value* of any given object. Canterbury summarizes quite well:

One of the most difficult problems in economic theory is what determines the value of a product and the distribution of the income from its sale among all those who have a hand in producing it. Economists call the solution to the problem “the theory of value.”⁵³

⁵² Sedlacek, *Economics of Good and Evil*, 89

⁵³ Canterbury, *A Brief History of Economics*, 52

One of the early features of the theory in the classical period, propounded by Smith and others, was a distinction between value-in-use and value-in-exchange. The “distinction... dates back to Aristotle, but has been abandoned by modern price theory.”⁵⁴ The distinction merits mention here because it may still be necessary within Jewish legal frameworks to consider the difference. Smith focused on value-in-exchange. He proposed a “crude labor theory of value,” in which the value of a given product was determined by the labor time required to produce it. He also put forth a complementary theory in which supply and demand determine price.⁵⁵ David Ricardo, the British son of Dutch Jewish immigrants and one of the most notable economists of the generation after Smith, further developed the theory of value by complicating the assumptions of Smith’s labor theory. Ricardo recognized that labor plays a role both directly *and* indirectly in the production of value. Commodities gain their value as a composite of all their various inputs to production, labor and non-labor, and thus the respective balance of inputs determines the value of each commodity.⁵⁶ Another generation later, Karl Marx would return to a labor theory of value and define profits as “surplus value”—the gap between the average value of the labor used to produce a commodity, and the capital earned by the capitalist in exchange for that commodity.⁵⁷ This insight helped fuel many an ideology, but the economic field proceeded along the lines of Ricardian analysis.

⁵⁴ Sandelin et al., *Short History*, 23

⁵⁵ Sandelin et al., *Short History*, 24

⁵⁶ Sandelin et al., *A Short History of Economic Thought*, 28-29

⁵⁷ Canterbury, *A Brief History of Economics*, 111. I have already referred to Marx briefly in chapter 1. It should come as no surprise to the reader that the economic discipline did not develop along the lines of Marx’s analysis or thought. His concept of the alienation of labor, and his focus on class struggle and the relationship between history and economy stand as particularly interesting for their connection with related areas of Jewish law and thought, but such analyses lay beyond the scope of this work.

With the turn of the 20th century, Alfred Marshall paved the way for what effectively remains the “theory of value” today. Marshall fused the laws of marginalism, the notion that money can be used to measure utility, and the self-interested anthropology that grew from Smith and his successors, into his understanding of equilibrium price.⁵⁸ Recognizing that changes in either supply (production) or demand (consumption) can impact the price of a good, he reasoned that price itself determines value. Canterbury summarizes:

Marshall’s most important contribution to economics was to combine the production theory of the classical writers with the demand theory of the marginalists into the famous “Marshallian cross” that, in turn, became the basis for the neoclassical “theory of value.”... Marshall extended his idea of price at the equilibrium point of supply and demand to create an entire Newtonian system in which all the elements of the economic universe are kept in place by mutual counterpoise and interaction. The equilibrium point became the basis for a new “theory of value,” and eventually “value” became synonymous with “price” so that economists now use the term “price theory.”⁵⁹

Understanding “value” and “price” coterminously solved a problem in the ongoing evolution of economic theory, and the field at large. Whatever the various components or inputs to producing a given good, its *value* could be measured by the price at which it exchanges on the market. In a competitive market, by rule, the equilibrium price must reflect both the totality of the inputs to production and the overall demand for the good. *Price* thus determines *value*, and storing things of *value* generates *wealth*.

For many contemporary economists, the question of what constitutes wealth ends right there. One would be hard-pressed to find a reliable economist who would not

⁵⁸ Canterbury, *A Brief History of Economics*, 121-134

⁵⁹ Canterbury, *A Brief History of Economics*, 132, 134. Once again, note the determinism inherent in such an understanding. In the ideal market, under the ideal economic circumstances, all of the enlightened, self-interested humans react rationally to their price incentives, creating the “counterpoise” between “all the elements of the economic universe.” Supply balances to meet demand thanks to all parties’ independent choice to maximize their own welfare. The invisible hand works its wonders.

simply define wealth as the monetary value of the total assets one possesses, measurable in monetary terms. A popular website corroborates such a straightforward definition:

Wealth measures the value of all the assets of worth owned by a person, community, company or country. Wealth is determined by taking the total market value of all physical and intangible assets owned, then subtracting all debts. Essentially, wealth is the accumulation of resources.⁶⁰

For something to be considered *wealth*, economically speaking, it must contain value. Since value can be measured by price, it corresponds logically that wealth can be measured in the same terms by which one measures price. Since prices are most often given in monetary terms, this means that wealth, in its contemporary meaning, can be stated in monetary terms.⁶¹

Some Basic Understandings About Money

Economic thinkers have always been interested in money and its properties. We see it in the Hebrew Bible, in ancient Greek thought, and in various other religious and philosophical literatures. We also see it in the mercantilist period of the early 18th century, before Smith ushered in the classical period of economic thought.⁶² In fact, some would consider developing a theory of money to be the primary concern of economic thinkers in the 20th century:

⁶⁰ <http://www.investopedia.com/terms/w/wealth.asp>, accessed 10/4/17

⁶¹ Sometimes prices are given in terms *other* than monetary terms. If I lived in the middle ages, for instance, I might have once traded some amount of grain for a pair of shoes—the grain would then be considered the *price* of the shoes. Today we see prices stated in multiple currencies, or we may find examples of more informal transactions in which the price be stated in terms of something other than money. These are interesting economically, but do not serve the ultimate goal of comparing contemporary economic understandings of money with those embedded in Jewish law.

⁶² Sandelin et al, *Short History*, 6-11

The neoclassical model of modern economics, having been remodeled and scrutinized many times over, was now facing one more challenge as it entered the twentieth century. There was a key element missing in the capitalist model of prosperity: a fundamental understanding of money... Comprehending the role of money and credit, the lifeblood of the economy, was the unresolved issue of twentieth-century macroeconomics; this lingering mystery posed the greatest challenge to the defenders of the neoclassical model, and ultimately led to the Keynesian revolution.⁶³

Keynes' approach countered both Marx and Smith. He attempted to preserve a capitalist economy *and* preserve microeconomic liberty by allowing government spending to be a tool by which to stabilize aggregate demand.⁶⁴ Keynes' contributions engendered a fair deal of controversy, but his influence can still be felt today, along with the influence of his detractors. Chief among them was Milton Friedman, whose monetarist school "teaches that the management of monetary supply is the primary means of influencing economic activity."⁶⁵ Today, the study of money and its history stands as a distinct and major subject area within the wider field.⁶⁶

While money acts like various other goods in some ways, it has unique features that have been recognized since ancient times. At the most basic level, money has at

⁶³ Skousen, Mark. *The Big Three in Economics: Adam Smith, Karl Marx and John Maynard Keynes*. (Armonk, NY: M.E. Sharpe, 2007), 125. This volume generally represents a wonderful narrative of the economic discipline, focused on the thought, biography, and impact of these three thinkers, each unique in their time. The author also adds "vital transitional chapters between the three biographies to complete the story" (xi).

⁶⁴ Skousen, *The Big Three*, 133-162. A full review and description of Keynes' or Friedman's influence and the opposing schools of thought stands beyond the scope of this work. Regardless, it would be negligent to avoid mentioning such an influential thinker, and others like him, whose works and impact shaped the course of the current discipline.

⁶⁵ Sedlacek, *The Economics of Good and Evil*, 84. Skousen actually connects Friedman's thought and approach with conditions under which "Adam Smith's system of natural liberty could flourish." (Skousen, *The Big Three*, 196)

⁶⁶ cf. Orrell, David and Roman Chlupaty. *The Evolution of Money*. (New York: Columbia University Press, 2016). The authors of this volume present a fascinating history of money along with their perspective on its future. In their words, the book argues "that money can transcend its role of reducing everything to number and can become, like language, a more open and affirmative means of communication. For the world economy to be sustainable, capitalism needs to readjust. A first step is to rethink the function and purpose of money and the meaning of wealth. As they say, money talks—and soon it will be a different voice." (5)

least three functions.⁶⁷ It serves as (1) a medium of exchange, (2) a unit of account, and (3) a store of value. As a medium of exchange, money facilitates transactions. Whether you use dollars or gold coins, you use some sort of money to facilitate the day-to-day exchanges that sustain your life: providing yourself food, shelter, and so on. As a unit of account, money helps to record prices or debts. It not only facilitates transactions by having something to give in exchange, but helps to standardize the terms of prices in an economy. A barrel of oil costs \$50—it doesn't cost three cows.

As a store of value, money reallocates purchasing power to the future. When you earn money for selling goods or for your labor, you expect to be able to use that money later on to acquire the the things you need. Money preserves a certain purchasing power for *other* goods and services, and it does this by storing value over time. When gold or other precious metals were used, or when money represented a certain quantity of such metals, the metal itself had some intrinsic value. Today, most economies do not operate on a gold standard. Money exists primarily as an abstraction—numbers on a computer screen most of the time. Occasionally it is still represented by physical tokens, like paper note or coins. Yet despite its abstract form, various currencies circulate within any given economy, and one ignores the power of money at their own peril.⁶⁸ Importantly, money derives a great deal of its power from the value it stores, and this value relies on trust.

Sedlacek describes the linguistic connection between the words credit and belief, and states quite simply that “at the very beginning, [money] was connected with ethical

⁶⁷ More on these functions can be found in many basic economics texts or online. cf. Mankiw, N. Gregory, ed. *Principles of Macroeconomics*, 8th ed. (Boston: Cengage Learning, 2015), 321-322; cf. Orwell and Chlupaty, *The Evolution of Money*, 7-9.

⁶⁸ Orwell and Chlupaty, *The Evolution of Money*, 2

rules, faith, symbolism, and trust.”⁶⁹ One will only accept money in exchange for a good or service if they *trust* that the money they receive will continue to represent value approximately equal to the goods they have sold. For money to work, to function properly, it *must* store value from the time that you acquire it until the time that you use it.⁷⁰

Yet money does not store value perfectly. Even in stable economies, price levels fluctuate over time. Increased quantities of money circulating throughout an economy will lead to a natural rate of inflation. In the best case scenarios, money only *gradually* loses its value over time, making it stable and allowing economies to grow.⁷¹

Modern society addresses this gradual loss with interest. Interest basically gives a price to money. As a price mechanism for money, interest allows a borrower to spend a greater amount of money in the present time period than they currently have. It does so by paying the lender back a with interest—paying back a greater amount over time. When Batya wants to buy a house, she takes out a mortgage from the bank. The price of that mortgage is the interest rate and the terms of the loan. Over many years, she pays back both the principal investment that the bank made, along with interest payments to reimburse the bank for the use of its funds in the initial time period.

⁶⁹ Sedlacek, *Economics of Good and Evil*, 81

⁷⁰ The phenomenon of hyperinflation destroys this function of money in an economy, and correspondingly can devastate living conditions as people often start to use durable goods or goods with use value (e.g. cigarettes) as a replacement currency.

⁷¹ The existence of inflation greatly complicates the ethical challenges around interest, and this remains a rich area for future work. Tamari and Levine both address this at some length. Tamari notes that inflation may be considered a type of taxation (*With All Your Possessions*, 204-205) and that by “devaluing the currency, inflation distorts the impartial and consistent value of goods” which causes crime to rise, and people to convert money into other goods that preserve wealth (ibid. 205-207). Tamari further addresses the topic in *The Challenge of Wealth* (191-198) and Levine dedicates an entire chapter to the topic (“Issues Involving Inflation in Jewish Law,” in *Economics and Jewish Law*, 139-156.)

If it seems odd to think of money having a price, recall that in some ways currencies act like any other good. It seems like comic relief to note that there exists *demand* for money. (Who doesn't demand this particular thing that can, in the right amount, get you nearly any other thing? Sounds almost magical, no?) The use of money as medium of exchange makes it a critical commodity for consumers and producers to hold and utilize, in addition to commodities which have more direct value-in-use, like food or water, or machines used in production. Understanding the *supply* of money, and the way money circulates through society, is a bit more complicated than appreciating demand for it.⁷² Yet despite the development of the field over hundreds of years, Orwell and Chlupaty still declare that "the field of economics" does not relieve "our ignorance about money."⁷³

Ultimately, however, money could not serve its primary function of facilitating exchange unless it also stored value, and its *inability* to store value *perfectly* over time fuels the existence of interest. By paying back more in the later time period, a borrower compensates her lender for use of the money in the earlier time period. This holds whether the borrower is your friend Batya down the street or whether the borrower is the government of the United States of America. Sedlacek ascribes this macro role of storing value over time a power like that of "time travel," transferring energy from the future to the present.⁷⁴ This ability is so strong, he writes:

⁷² In the U.S., of course, the federal government prints money and we have the Federal Reserve System, one function of which is to "conducts the nation's monetary policy to promote maximum employment, stable prices, and moderate long-term interest rates in the U.S. economy." ("Overview of the Federal Reserve System," https://www.federalreserve.gov/aboutthefed/files/pf_1.pdf, accessed 1/24/2018) Future work might return to ethical questions related to the Federal Reserve System and Jewish law.

⁷³ Orwell and Chlupaty, *The Evolution of Money*, 3

⁷⁴ Sedlacek, *The Economics of Good and Evil*, 85.

that operating with debts (fiscal policy) or interest or money supply (monetary policy) means that these can, to a certain extent, direct... the whole economy and society. Money is playing not only its classical roles... but also a much greater, stronger role: It can stimulate... the whole economy.⁷⁵

Yet it is no mere coincidence that Sedlacek wrote this paragraph in the middle of his chapter on “The Old Testament.” So much of contemporary economic society relies on interest, but Sedlacek accurately notes that “the ancient Hebrews not only approached interest, but debt as a whole with caution.”⁷⁶ Any attempt to reconcile the Hebrew Bible with a contemporary economic ethics must deal with interest, money, and debt, but the contemporary understandings and use of these tools serves only to complicate the task of approaching those topics from within the framework of a Jewish economic theory.

Money and Value in a Jewish Framework

The Torah, and indeed the entire evolution of Jewish law, never failed to include money within the scope of its interests. From the details of Abraham’s wealth mentioned at the beginning of this chapter, to the flat tax used to fund construction of the Tabernacle,⁷⁷ and later throughout the legal codes of both Torah and Mishnah, there can be no question that Jewish law has basically always recognized all three of these functions of money.

Yet with respect to money's function as a store of value, unlike its other two functions, we can observe distinct legal shifts over time. What began in the Torah as a legal reticence or skepticism about money’s ability to store value evolved over centuries into a much more permissive approach. Put another way, the Torah itself seems to

⁷⁵ Sedlacek, *The Economics of Good and Evil*, 84

⁷⁶ Sedlacek, *The Economics of Good and Evil*, 83

⁷⁷ cf. Ex. 30:11-16

employ its own ethic of suspicion when it comes to the power money wields as it stores value. But as the *Halakhah* developed over time, this ethic of suspicion faded into the background. Jewish law mutated to express different concerns.

The two primary legal areas in which we observe this are those of interest and debt. The Torah legislates explicitly against interest bearing loans. The Mishnah later expands this legal framework in a way that created a mechanism to circumvent the prohibition. Similarly with debt, the Torah legislates a septennial remission of debts. The Mishnah later invents a legal loophole to avoid such a radical measure. The Torah, the most foundational layer of Jewish law, does not mince its words. Through its legislation on interest and debt, the text makes perfectly clear its suspicion, even possibly a fear, of the power money gains by storing value over time. But with both financial instruments, the *halakhic* system evolved in a direction that attempts to skirt these Toraitic concerns. Despite Torah's implicit recognition that of the risks involved when money is allowed unchecked ability to store value, the *halakhah* developed along different concerns.

The Prohibition of Interest in Jewish Law

Interest: A Biblical Warning about Money's Power

The Torah's prohibition of interest explicitly conveys an ethic of suspicion towards money's ability to store value over time. I suspect this may be related to the prohibition against idolatry. Regardless of the purpose or origin, there can be no question that Torah legislates in a way that reflects this skepticism. By prohibiting interest, Torah establishes its concern for the way this feature of money influences the nature of an economically just society. The prohibition attempts to wrest back some of the power

that money accrues over time through the use of interest, transferring that power from the money itself to society. Even if this law was never implemented on a wide-scale, the inclusion of these injunctions stands as a reminder as the authors' (or Author's) aspiration: a holy society stares warily at money's power, and acts to harness it. As this close reading will show, Deuteronomy may represent an intra-biblical voice of dissent on this matter, or at least a concurring opinion. Yet a thorough reading of these laws demonstrates the Torah's explicit concern about how money as a store of value can hinder the pursuit of economic justice.⁷⁸

The prohibition of interest appears in each of the Torah's three major codes of law. In Exodus' Covenant Code, it appears as such:

אם כסף תלוה את עמי את העני עמך לא תהיה לו כנשה לא תשימון עליו נשך

If you lend money⁷⁹ to my people, or to the destitute amongst you, do not be to him like a creditor. Do not place interest upon him.⁸⁰

At first glance, the verse does not reveal much. Out of context we see no *reason* for the injunction. Yet the law appears amidst a fairly short unit of laws related to economic justice—a context critical to understanding this commandment. The laws that precede warn against mistreating strangers, widows, and orphans (the most vulnerable members of society).⁸¹ The laws that follow constitute a reminder of what may serve as an acceptable pledge for a loan.⁸² Thus the immediate context of the verse seems to

⁷⁸ Torah does not directly address the concept of interest at a macro-economic level, such as the interest rates that the Federal Reserve System controls. I assume that the wariness Torah exhibits in this regard in the interpersonal realm might have parallels in the societal and macro-economic spheres.

⁷⁹ lit. silver, but commonly understood as a general term for currency.

⁸⁰ Ex. 22:24

⁸¹ Ex. 22:20-23. The verses preceding this passage contain a line break in the masoretic text before Exodus 22:19. If we include 22:19 in this unit, that actually adds an implication that that violation of these economic laws may represent a type of idolatry.

⁸² Ex. 22:25-26

acknowledge the power interest has to contribute to oppression and even poverty. The very word used for interest in the Hebrew, curiously, also conveys this. “Interest” in this verse represents a translation of the Hebrew נִשְׁכָּה, *neshekh*, a word related etymologically to the bite of a snake. “Interest,” in biblical Hebrew, represents something “bitten off” the original loan, or something that bites and stings more greatly over time.⁸³ And lest we think that these laws are just throwaway or filler-laws, they appear with explicit consequences for violation of them: God’s anger blazing forth and putting you to the sword.⁸⁴ Tamari also carefully reminds that this instance of the injunction against interest uses plural language in its last reminder: “לֹא תִשְׁיִמוּן, do not place” more literally would translate as a plural command, rendering the verse more like “none of you shall place” interest upon him.⁸⁵

The Levitical and Deuteronomic codes legislate similarly, and contain important distinctions as well. The prohibition of interest appears late in the Levitical code towards the end of the book. The chapter begins by articulating the sabbatical year agricultural laws, which the children of Israel are to observe upon entering the land of Israel. It continues to matters of property law, and specifically how the Jubilee year releases the land to its ancestral owners—a socio-economic reset of sorts for ancient Israelite society. Only after these topics does the author of the Holiness Code address interest.

וכי ימוך אחיך ומטה ידו עמך והחזקת בו גר ותושב וחי עמך אל תקח מאתו נשך
ותרביית ויראת מאלהיך וחי אחיך עמך. את כספך לא תתן לו בנשך ובמרבית לא תתן
אכלך

⁸³ Tamari, *The Challenge of Wealth*, 176. Also see Rashi on Ex. 22:24

⁸⁴ Ex 22:23

⁸⁵ Tamari, *The Challenge of Wealth*, 176

If your kin be lowered⁸⁶, and his hand shakes with you, and you then hold him as a stranger, and he resides and lives with you: Do not take from him interest/*neshekh* or interest/*tarbit*, but fear your God; the life of your kin is with you. Do not give your money to him with interest/*neshekh*, and with interest/*marbit* you shall not give your food.⁸⁷

Immediately, take note of the additional term for interest. Whereas in Exodus there was merely the “biting” form of interest, נשך/*neshekh*, Leviticus adds a parallel term:

מרבית/*marbit* (25:37) or alternately תרבית/*tarbit* (25:36). The term refers to some sort of interest as well, but its etymological root connotes less negativity than “bite” or “snakebite.” The root instead connects the word with multiplicity, productivity, or even fertility.⁸⁸ This makes intuitive sense as a description, at least in a vague mathematical sense, of what interest *does*: it multiplies a current amount to a greater amount. *Marbit* seems to be a later construction, as evidenced by its appearance only in Leviticus, Samuel and Chronicles.⁸⁹ We cannot know, economically speaking, whether there existed a precise contemporaneous understanding of either of these terms for the Levitical author, but we need not concern ourselves with that question for the present moment. What does concern us is what we can learn from this passage, and its differences with its counterparts in Exodus and Deuteronomy.

Here, the immediate setting for the law (verse 25) indicates a person or segment of Israelite society who has come under difficult economic times. This law, like the

⁸⁶ The sense of the Hebrew is difficult to ascertain, as the verb, ימוך, appears only in the Leviticus and nowhere else in the Hebrew Bible (Evan-Shoshan, Avraham, ed. *New Concordance of the Hebrew Bible*. (Israel, 2000), s.v. “ימוך.”) JPS renders it “being in straits” and I have edged for a simpler variation connecting the word to its meaning of being lowly or depressed. (Brown, Francis, S. R Driver, Charles A Briggs, James Strong, and Wilhelm Gesenius. *The Brown-Driver-Briggs Hebrew and English Lexicon : With an Appendix Containing the Biblical Aramaic : Coded with the Numbering System from Strong's Exhaustive Concordance of the Bible*. [New ed.]. (Peabody, Mass.: Hendrickson, 1996), s.v. “ימוך”).

⁸⁷ Lev. 25:35-37

⁸⁸ Brown-Driver-Briggs, *Lexicon*, s.v. “מרבית,” s.v. “תרבית”

⁸⁹ Evan-Shoshan, *Concordance*, s.v. “מרבית.”

entire chapter, legislates with a concern that the Israelites will establish an economically just society. This is the thread that connects all of the legal material of Chapter 25, from the Jubilee year to the property law to these laws of interest, and the laws of debt servitude that follow. Verse 26 then presents the command about lending at interest, and establishes that it treats *neshekh* just like *tarbit*. Leviticus makes sure you know it refers to either term for this characteristic of money to store value. Yet the verse does not end there—it reminds the Israelite to fear God, *and* that the kin person may live with the rest of society. This powerful expression of societal openness represents a second major distinction with the interest law as presented in Exodus.

Yet verse 27 adds a delicious new element as the message about interest becomes even more powerful. The law is stated in a semi-chiastic structure typical of biblical poetry:

A Do not give
B your money to him
C with *neshekh*,
C' and with *marbit*
A' you shall not give
B' your food.

At first this verse might seem to simply repeat itself. The repetition adds a layer of meaning because biblical poetry creates meaning from its use of parallelism.⁹⁰ Thus the verse confirms that for the Levitical author, these two terms for interest parallel one another. They may have different implications. The existence of two terms may even refer to different rates of interest or different structures of contracts that generated

⁹⁰ Berlin, Adele. "Reading Biblical Poetry." In *The Jewish Study Bible: Featuring the Jewish Publication Society Tanakh Translation*, 2097-2104. edited by Adele Berlin and Marc Zvi Brettler. Oxford: Oxford University Press, 2004.

interest in the ancient world. Yet the Levitical author makes no ethical distinction between the two. The law forbids both.

Even more importantly, the parallel to “*your money*” in this verse (B) is “*your food*” (B’). This alone could lead to the life-sustaining definition of economics discussed in chapter 1, and of wealth in this chapter, since it seems that for Leviticus, money parallels food. The improper use of money, biting away over time, might even prevent human beings from biting into the food that sustains their bodies. The law aims to make sure that these forms of interest are not used to oppress those in need, and the verse that follows these three reminds the Israelite why all of these economic laws matter so much. Once again, we’re thrust back into the narrative:

אני יהוה אלהיכם אשר הוצאתי אתכם מארץ מצרים לתת לכם את ארץ כנען להיות
לכם לאלהים

I the Eternal am your God, that which brought you out of the land of Egypt to give you the land of Canaan; to be your God.⁹¹

A just Israelite society, according to the Levitical author, does not use these tools of interest to oppress its fellow citizens, or to force them into debt-slavery. Rather, they remember their own story and their own economic oppression. Then they take measures to make sure that their society has mechanisms for ensuring the economic dignity of all.

In the Deuteronomic Code, the prohibition of interest appears yet again. This time it adds a new stipulation, set aside as its own short paragraph in the Masoretic scroll:

⁹¹ Lev. 25:38

לא תשיך לאחריך נשך כסף נשך אכל נשך כל דבר אשר ישך לנכרי תשיך ולאחריך לא
תשיך למען יברכך יהוה אלהיך בכל משלח ידך על הארץ אשר אתה בה שמה
לרשתה

Do not charge interest⁹² to your kin, interest/*neshekh* of money, interest/*neshekh* of food, or interest of any sort which one may charge. To the foreigner you may charge interest and to your kin you may not charge, so that the Eternal your God will bless you in all the works of your hand upon the land into which you come to possess it.⁹³

First, we appreciate Deuteronomy's confirmation that interest stands as something which might apply to food, and with understanding money and food as parallel. Yet the glaring difference with Leviticus arrives in 23:21, where the text gets explicit about to whom this law applies. The "foreigner" refers to any non-Israelite. At the very least, the text gives permission to charge them interest, along with another reiteration that such behavior is not acceptable with fellow Israelites.⁹⁴

Also critically, Deuteronomy offers an additional detail of the purpose of this law in 23:21. After adding the stipulation that interest may be charged to non-Jews, the text notes that following this law will lead to God's blessing of "all the works of your hands." We might consider this statement of consequences in relation to this particular law to be an implicit acknowledgement in the text that interest (when charged to gentiles) can serve the function of helping the economy to grow and prosper. Israelites are not to charge it against one another, but to outsiders they may, and their proper use of this financial instrument can even lead to prosperity.

Cumulatively, these three iterations of the law of interest as found in Torah create the foundation on which Jewish law later develops its approach to the topic. The

⁹² The verbal form for the phrase "charge interest" shares the same etymological root as *neshech* here. Note that the terms *tarbit/marbit* do not appear in Deuteronomy.

⁹³ Deut. 23:20-21

⁹⁴ I address the role of particularism vis a vis financial transactions in the next chapter.

variance we see stands as a reminder that as the people Israel sought to bring Torah to life in an economic *halakhah*, there existed a wide latitude for the *halakhic* process to develop its laws of interest in unique and unexpected ways. Regardless, from this analysis of the biblical laws, one would expect to find further development or refinement of the Torah's wariness about the power of money to store value over time through interest.⁹⁵

Interest in Rabbinic Texts and Codes

The Torah never explicitly *defines* interest—neither *neshekh* nor *marbit/tarbit*. So naturally the most fundamental question that the *halakhic* process had to ask was definitional. We encounter it first in the Mishnah, which asks “איזהו נשך ואיזהו תרביט?,” What [transaction constitutes] *neshekh*/interest and what [transaction constitutes] *tarbit*/interest?”⁹⁶ The issue of definition stands so central here that Tamari declares that “the halakhic treatment of *issur ribit*—the injunction against taking interest—in daily life is a direct consequence of how such *ribit* is defined.”⁹⁷

As the classical *Halakhah* developed, the two parallel terms for interest that appeared in Torah morphed into a different distinction. *Neshekh* came to represent the

⁹⁵ I have presented these three appearances of the law of interest in the Torah in their literary order. Scholars continue to struggle with dating for these books of the Hebrew bible, and in this case, it could make quite a significant impact on our analysis if we could determine precisely whether the Deuteronomic conception precedes the Levitical, or vice versa, and if we knew how the Covenant code fit into that. Take the discrepancy between Leviticus and Deuteronomy as illustration. If Leviticus were composed first, and Deuteronomy were the latest of these laws, the exception for charging interest to non Jews could be interpreted as evidence of an intra-biblical change in ancient Hebrew economic thought. If Leviticus stands as the final pentateuchal word on the topic, however, the lack of permission for charging interest to non-Jews represents an intriguing (and perhaps intentional) omission. I do not take a precise view on dating because it does not, in the grander scheme of things, influence this analysis to a great extent. In viewing Torah as a literary whole, and in appreciating its unified role in shaping later Jewish law, we can merely appreciate these three iterations of the prohibition of interest as a vibrant illustration of the multiplicity of voices on this topic within Torah.

⁹⁶ m. Baba Metzia 5:1

⁹⁷ Tamari, *The Challenge of Wealth*, 183

concern over *רבית מדאורייתא*, interest prohibited by the Torah, and *tarbit* evolved to connote *רבית מדרבנן*, interest prohibited by the rabbis. The Kehati commentary to Baba Metzia 5:1 states the concern broadly and effectively:

According to the Sages' interpretation... there is no difference between "interest" and "increase," and the two terms are used interchangeably... The two different expressions are used by the Torah to denote the different consequences of forbidden interest. The term "interest" (*neshekh*) refers to the borrower's loss, since interest bits (*noshekhet*) and decreases his money... The term "increase" (*tarbit*...) refers to the profits of the lender, who profits and increases (*marbeh*) his money by the taking of interest... It follows from this that there can be no "interest" without "increase," and vice versa.⁹⁸

Despite the sound logic of the conclusion that interest-bearing transactions always contain both elements, the change in language indicates a meaningful shift in understanding. By referring to all such transactions as at type of "increase," the "biting" element inherent in the term *neshekh*—the pain that the borrower feels over time—becomes subsumed under the more positively connoted "increase" that the lender enjoys. Such a linguistic and legalistic shift in understanding then implies a reduced concern for the negative impact on the borrower, and a heightened concern for which "increase" transactions violate the prohibition. Interest can always be considered "increase" or "multiplicity," and the *source* of its prohibition determines the severity of its consequence. Ohrenstein addresses this shift in depth, although he reads the shift as one not between "biting" and "increase," but rather between "biting" and "waiting:"

With this formulation, a subtle but significant conceptual transformation takes place. Notice that the center of gravity now moves away from the borrower toward the lender: from *neshekh* to *natar*; from "biting" to "waiting;" from the

⁹⁸ Kehati, Pinhas. *Bava Metzia: A New translation with a Commentary by Rabbi Pinhas Kehati*. translated by Edward Levin. (Jerusalem: Maor Wallach Press, 1994), 91-92

theological to the economic. Thus, according to R. Nahman, interest is a case of *agar natar lee*, a lender's charge for "making me wait."⁹⁹

Both rabbinic understandings of interest-bearing transactions, "increase" and "waiting," respectively, ultimately represent a "significant modification" of the "biblical injunction against usury."¹⁰⁰ Both of them represent a shift in perspective from the perspective and experience of the borrower to that of the lender.

To better understand how this change was effected, we turn to Mishnah Baba Metzia chapter five, which presents the ground layer of rabbinic law on the topic of interest. A complete investigation of the development of this law throughout gemara, codes, and responsa remains an area for future research.¹⁰¹ A basic investigation of the chapter, however, helps tease out the ways that this area of law morphed from the Torah's vision into that of the rabbis. The chapter primarily aims to describe and detail the nature of various financial transactions that constitute interest.

איזהו נשך? המלוה סלע בחמשה דינרין סאתים חטין בשלש, מפני שהוא נושך.

What constitutes *neshekh*? Lending¹⁰² a *sela'* (which consists of four dinars) [in exchange] for five dinars, or two *se'ah* of wheat [in exchange] for three, because this bites.¹⁰³

The Mishnah here answers the question of "how so" with respect to the definition of *neshekh*. Neusner interprets this in simple mathematical terms: "The meaning of interest is clear as given. It involves repayment of 25 percent over what is lent in cash, or 50 percent over what is lent in kind."¹⁰⁴ Such an interpretation, however, ignores the

⁹⁹ Ohrenstein, *Economic Analysis in Talmudic Literature*, 87

¹⁰⁰ Ohrenstein, *Economic Analysis in Talmudic Literature*, 84

¹⁰¹ A full exploration of the development and intricacies of interest law throughout classical *halakhah* falls beyond the scope of this study. Instead, I explore some of the main parameters of this field as seen through the foundational chapter of Mishnah which addresses the topic, Baba Metzia chapter 5.

¹⁰² Lit. "one who lends"

¹⁰³ m. Baba Metzia 5:1

¹⁰⁴ Neusner, *Economics of the Mishnah*, 104

fact that the prohibition of interest in the Torah, which the rabbis correlate with *neshekh*, stands regardless of the rate. These statements should be seen, rather, as simple examples which would be easy to remember. The *mishnah* continues, however, with a narrative example of what constitutes *tarbit*.

ואיזהו תרביט? המרבה בפרות. כיצד? לקח הימנו חטין בדינר זהב הכור, וכן השער, עמדו חטין בשלשים דינרין, אמר לו תן לי חטי שאני רוצה למכרן ולקח בין יין. אמר לו הרי חטין עשויות עלי בשלשים, והרי לך אצלי בהן יין, ויין אין לו

And what constitutes *tarbit*? The one who increases through fruit. How so? He bought¹⁰⁵ from him wheat at a golden *dinar* (25 silver *dinar*) per *qor*, the current market price¹⁰⁶; then price of wheat rose to¹⁰⁷ 30 silver *dinar*. So he said “give me [back] my wheat, so I can sell it and purchase wine with the proceeds.” He said to him “behold, your wheat are now worth thirty [silver *dinar*] with me, and now you have a claim upon me for wine with the debt,” and yet he has no wine.¹⁰⁸

The story alone does not clarify the problem with this transaction, but it seems to be a case of “trading in futures.”¹⁰⁹ The wheat-buyer seems to be paying a fixed price (a golden *dinar*) for wheat that has yet to be harvested. The clue lies in the phrase “וכן השער, the current market price.” For any number of reasons, however, by harvest time the market price has increased by 20 percent.¹¹⁰ Thus the buyer returns to the seller for a refund, upon which the seller offers a sort of store credit: “your wheat are now worth thirty with me.” The transaction described so far does not violate the laws of interest. When, however, the original wheat-seller offers a credit for wine that he does not in fact possess, the transaction becomes problematic.¹¹¹

¹⁰⁵ Lit. “took”

¹⁰⁶ Jastrow, *Dictionary*, s.v. “שער.” Heb. וכן השער lit. “and this was the price” or “this was the market price.”

¹⁰⁷ Lit. “stood at”

¹⁰⁸ m. Baba Metzia 5:1

¹⁰⁹ Neusner, *Economics of the Mishnah*, 104

¹¹⁰ Texts throughout Talmud recognize market prices as “given” but also recognize the active role that vendors and purchasers can play in determining prices. I address this in the next chapter. In the case of this *mishnah*, however, it seems safe to understand that the initial seller of the grain is reacting to given price information.

¹¹¹ Kehati, *Bava Metzia*, 91-92

Despite the intricate and relatively confusing character of this case, notice that the terms are defined in a narrative. The problem with interest comes to life in the relationship between buyer and seller, and the ability for certain transactions to result in undue gain to one party over the other. Additionally, it is no accident that the Mishnah defines these terms with respect to *agricultural* units of account. The important aspect of all of these transactions stems from their impact on goods which sustain life itself—namely food.

The rest of the chapter continues to describe various circumstances and financial arrangements, noting which are permitted, and which are not. One may not allow his friend to reside in his courtyard free of rent, or at a discount (5:2). Purchasing a field on credit alone is also forbidden (5:3). In a quintessential mishnaic style, the chapter proceeds with various cases (stories, essentially) that detail which transactions are acceptable, and which are not. While the remainder of the chapter represents a rich corpus of source material, one *mishnah* in particular represents the most pivotal in the change in focus from the biblical texts to the rabbinic.

Baba Metzia 5:4 paves the way for the creation of a new *halakhic* category: the *heter 'iska'*, הֵתֵר עִסְקָא, literally translated as a business permission. It does this by describing a particular type of investment, and stipulating a condition under which it may be permitted:

אין מושיבין חנוני למחצית שכר, ולא יתן מעות לקח בהן פרות למחצית שכר, אלא
אם כן נותן לו שכרו כפועל...

One may not fund a storekeeper for half the return, and he may not give coins to purchase produce with for half the return, unless he gives him (i.e. the storekeeper) wages as a worker.¹¹²

¹¹² m. Baba Metzia 5:4

Precisely *how* this arrangement constitutes rabbinic interest remains unclear at first. Neusner suggests that the issue arises because the storekeeper's labor in selling the owner's half constitutes a sort of "interest in labor" on the original loan.¹¹³ Tamari translates the same passage quite differently,¹¹⁴ but ultimately concurs:

The reason for disallowing such a venture lies in the fact that... half [the original sum] is a deposit, on which the supplier of the funds or goods earns the whole profit or suffers the whole loss. Since the trader has no shares in the profits earned by the deposit, all his risks and efforts involved in the share of the operation earn profits only for the investor, and this constitutes *avak ribit*—rabbinic interest.¹¹⁵

As the *halakhah* developed, the reasoning evolved from here. If the problem with such a transaction lies in the fact that the investor shares no component of risk, then an arrangement which establishes the lender and borrower as business partners avoids the prohibition. This is precisely what a *heter 'iska'* does. The partners share some element of both risk and reward for their joint financial endeavor. Such a circumstance then represents a fundamentally different business arrangement than a basic loan between a single borrower and a single lender. In the latter circumstance, the lender receiving interest earns it merely for *waiting* to receive their money. In joint business ventures, however, the loan represents not merely a loan against collateral but an investment which can be expected to yield returns over a given period of time. The borrower's share of those returns may then appear similar to "interest" at the outset, but in fact they do not violate Torah law.¹¹⁶

¹¹³ Neusner, *Economics of the Mishnah*, 106

¹¹⁴ Tamari, *With All Your Possessions*, 183. His rendering of those two lines of *Mishnah* aims at a more colloquial and general translation, certainly not a literal one. "It is not permitted to make a joint venture with a trader [providing him with goods at market value to be sold on a retail basis] on the basis of equal shares in profit or loss. Nor may one give money to a trader to buy on one's behalf [for resale], both parties sharing equally in the profit or loss. In both cases, it is necessary to pay the trader a laborer's fee"

¹¹⁵ Tamari, *With All Your Possessions*, 183-184

¹¹⁶ Tamari, *The Challenge of Wealth*, 185-188

Tamari lauds the *heter 'iska'* as something that “formalizes a situation which exists” and warns that it “is not to be regarded as a legal subterfuge.”¹¹⁷ This fits well with his generally generous approach to *Halakhah*. Knowing that the rabbis who studied and passed down their learning for centuries held such a high regard for Torah, Tamari chalks up the creation of the *heter 'iska'* to a *halakhic* acknowledgement of reality.¹¹⁸ Yet his love for the *Halakhah* seems to blind him to the fact that at a fundamental level, the evolution of Jewish law on this subject significantly altered the contextual approach of the original injunctions found in the Torah.

Halakhah did not evolve to focus on how to maintain Torah’s wariness over money’s power. Instead, it asked how to establish types of “increase” which would be permitted. Instead of seeking out the types of transaction that would lead to the most economically just society, the rabbinic law sought out the stories which would most convincingly circumvent the initial concern. In Tamari’s words:

history ... witnessed a constant battle of wits between the rabbis and the businessmen—the latter, obviously, seeking to circumvent the anti-interest regulations by means of sophisticated business transactions which disguise the loan aspect...¹¹⁹

If this is the case, then the businessmen won the battle by convincing the *Halakhah* to renegotiate the terms of engagement. What began in the Torah as legislation aimed at curbing the undue power money gains over time through the use of interest becomes legislation aimed at determining which transactions are sufficiently *not* interest. The legal vision which once contributed to the aspiration to establish economic justice gave

¹¹⁷ Tamari, *With All Your Possessions*, 185

¹¹⁸ Tamari, *With All Your Possessions*, 185, 186

¹¹⁹ Tamari, *With All Your Possessions*, 178

way to a legal reality interested in facilitating business transactions. A similar story can be told with regard to debt in Jewish law.

The Remission of Debts in Jewish Law

The Shmitah Year: A Biblical Vision of Economic Justice

Neither interest nor debt could exist without stories. Batya borrows \$100 from Avigail, agreeing to return \$110 one year from now. While this translation violates Torah law on interest (mostly because the story is too simple,) the initial \$100 stands as a debt throughout the term of the loan. The additional \$10 constitutes the interest payment. A debt comes into existence through narrative. Fittingly, the conceptual tale of debt in Jewish law sounds a lot like the story of interest.

The commandment for the septennial remission of debts first appears in Exodus, where Torah legislates a septennial sabbatical for the land and for the Israelite economy.¹²⁰ Exodus 23:10 opens this legal topic:

ושש שנים תזרע את ארצך ואספת את תבואתה והשביעית תשמטנה ונטשתה ואכלו
אביני עמך ויתרם תאכל חית השדה כן תעשה לכרמך לזיתך

And six years you shall sow seeds on your land and collect its bounty, but on the seventh you release her (i.e. the land) and let her lie fallow. The destitute of your people shall eat, and the remainder, the beasts shall eat. Thus you shall do also with your vineyard and your olive grove.¹²¹

At first the focus seems strictly agricultural, but the economic welfare seems to be the purpose of this “release:” the poor shall sustain themselves from the bounty of the land.

This passage uses the same Hebrew root, שִׁמַּט, for the release of the land that will be used for the release of debts later on. The word connotes release or cancellation, in this

¹²⁰ Some of the work in this section represents a revision of my own unpublished essay, submitted in fulfillment of coursework for RAB 600 “Introduction to Mishnah,” taken Fall 2014.

¹²¹ Ex. 23:10

case, releasing the land from its obligation to produce. The context, as with that of the laws of interest, connects this law with economic justice. The verses preceding this warn not to subvert the rights of the needy,¹²² and not to oppress the stranger,¹²³ among other requirements of a just society.

Leviticus 25 builds from the sabbatical release of the land to the Jubilee year—the fiftieth year, following seven cycles of seven years. Remember that the context of the chapter is the establishment of an economically just society. During a Jubilee, ancestral land holdings were to be returned to their tribes and any indentured debt slaves are to be released.¹²⁴ The chapter doesn't mention the septennial release of debts, but the consequence of the Jubilee year remains a societal redistribution of wealth aimed at ensuring that the children of Israel are servants to God, and not servants to debt.¹²⁵

Deuteronomy commands a more explicit and more frequent release of debts. Every seven years the lender must release the borrower from their obligation to produce:

מקץ שבע-שנים תעשה שמטה. וזה דבר השמטה שמוט כל בעל משה ידו אשר יש
ברעהו לא יגש את רעהו ואת אחיו כי קרא שמטה ליהוה את הנכרי תגש ואשר יהיה לך
את אחיך תשמט ידך אפס כי לא יהיה בך אביון כי ברך יברכך ה' בארץ אשר ה' אלקיך
נתן לך נחלה לרשתה

At the end of seven years you shall make a release. And this is the matter of the release: every lender must release that which he lends his neighbor. You may not demand payment from your neighbor or your kin¹²⁶, for it is called release for the Eternal. You may demand payment from the stranger, but that which shall belong to

¹²² Ex. 23:6

¹²³ Ex. 23:9

¹²⁴ Lev. 25:1-17

¹²⁵ Lev. 25:42

¹²⁶ Heb. אחיך, lit. your brother

your kin you shall release [from] your hand. For naught¹²⁷—for there shall not be poor among you, for the eternal has certainly blessed you in the land which the eternal your God gave you as a portion to inherit.¹²⁸

The passage establishes a clear vision of the goal: a society in which there are no needy people. While the Torah even admits the utopian or aspirational nature of this goal in the very same chapter (15:11), there can be no doubt that the septennial release of debts aims to help achieve that vision, and follows conceptually from the septennial release of land that Exodus and Leviticus require.¹²⁹ Here, yet again, the context remains a connection to the broader meaning. This passage appears at the beginning of chapter 15, but chapter 14 concludes with laws of tithes (i.e. taxes) that help maintain an economically just society, and the laws of septennial release of slaves/debt slaves (15:12-18).

Collectively then, the Torah's approach to debt establishes a range of interpretive possibilities, as do the laws on interest. Yet it seems clear that mechanisms like a septennial release of debt, or a jubilee year return of ancestral holdings, aim to curb the power of money storing value over time in their period redistribution of wealth. One might expect, or even hope, that the rabbinic approach would thus seek creative ways to apply the vision of an economically just society, despite a range of interpretive possibilities in the original Toraitic injunctions. Yet like the laws of interest, the evolution of *halakhah* on debt tells a different story.

¹²⁷ Heb. אפס, lit. none or zero. The grammar of this sentence confounds a simple translation. JPS renders the verse more simply "There shall be no needy among you," but such a choice seemingly ignores the word אפס. I've translated it as "for naught" here, following with the interpretation of Ibn Ezra (Deut. 15:4), who understands the verse to recognize its own futility. The release of debts may not be necessary if there are no poor because the Israelites have established an economically just society.

¹²⁸ Deut. 15:1-4

¹²⁹ Jacobs also considers the importance of Deuteronomy 15, and discusses the "paradox of poverty" that the chapter seems to generate. (*There Shall Be No Needy*, 14-16).

The Prozbul: Another Tale of Legal Creativity

Mishnah Shevi'it chapter 10 creates a foundation within Jewish law which facilitates the circumvention of the release of debts in the seventh year. After beginning the chapter by articulating which debts must be released in the sabbatical year, and which are not released (i.e. store credit), the third *mishnah* details the creation and origin of the *prozbul*. It reads:

פרזבול אינו משמט. זה אחד מן הדברים שהתקין הלל הזקן כשראה שנמנעו העם מלהלוות זה את זה ועוברין על מה שכתוב בתורה (דברים טו) השמר לך פן יהיה דבר עם לבבך בליעל וגו', התקין הלל פרזבול

[A loan made with a] *prozbul* does not release [debts]. This is one of the things which Hillel the Elder decreed when he saw that the people were prevented from lending one to another, transgressing what is written in the Torah “Guard yourselves lest there be a matter upon your heart in bad faith, etc” (Deut 15:9) – Hillel decreed Prozbul.¹³⁰

Several features of this *mishnah* stand out. First, the Mishnah most often refers to sages by name when they are in the minority—when their opinion is being preserved for use in possible future understandings of the law. Here, however, the text mentions Hillel not once but twice, and evidently Hillel’s understanding creates the legally binding ruling. Additionally, note the consequentialist reasoning employed by Hillel. The economic law, as stated by Torah, resulted in an objectionable consequence. In practice, the law of releasing debts caused lenders not to lend, and prevented the economy from functioning to its capacity. To change that consequence, Hillel decreed the Prozbul. The use of scriptural citation here reveals the unusual nature of this ruling. Mishnah tends to introduce scriptural citations in order to bolster the validity of an idea. Finally, the use

¹³⁰ m. Sheviit 10:3

of the word הִתְקִין, decreed, directly acknowledges the nature of the *prozbul* as a legal innovation or invention. The text implicitly acknowledges, then, that this represents an instance of adapting the *Halakhah* to an economic reality. Rather than being directly evident from the expounding of the written text of the Torah, the *prozbul* mechanism must be decreed.

The remainder of chapter 10 of Shevi'it details the workings of the *prozbul*. The *prozbul* itself requires a witnessed declaration of the lender that the debt stands due whenever he shall declare.¹³¹ Thus during the seventh year, the debt itself can be considered *not* outstanding, because the lender has not *declared* it to be outstanding. Newman details the working of such a contract:

Since the court, rather than the lender himself, demands payment of the loan, this procedure technically does not violate Scripture's injunction... Since the loan is deemed not to be outstanding during that year, it is not cancelled. This enables the creditor, after the Sabbatical year has ended, to collect through the court the money owed him...¹³²

With regard to the structure and the functioning of this chapter, scholars have not shied away from describing the *prozbul* for what it is: a legal fiction. Newman, for instance, notes that this “central refinement of Scripture's rule... lays the groundwork for the discussion of a legal fiction, the *prozbul*, by which Israelites circumvent Scripture's injunction.”¹³³ Yet Newman also argues that in ensuring the flow of capital, this law “has the effect of promoting stable and equitable monetary relationships among all Israelites.”¹³⁴

¹³¹ m. Shevi'it 10:4

¹³² Newman, Lous E. *The Sanctity of the Seventh Year: A Study of Mishnah Tractate Shebiit*. (Chico, CA: Scholars Press, 1983), 200

¹³³ Newman, *Sanctity of the Seventh Year*, 30

¹³⁴ Newman, *Sanctity of the Seventh Year*, 200

From a legal perspective, and from the normative viewpoint of contemporary economic theory, Newman appropriately understands the importance of access to capital. Particularly for an agrarian economy, proper access to both land and money enable the Israelites to produce their fullest yields, which in turn should prevent the (short-term) starvation of the people. Both Newman and the Mishnah, however, fail to recognize that employing such a legal fiction to circumvent the scriptural injunction also circumvents scripture's stated economic concern. The *prozbul* may enable credit to flow, but it disregards the very purpose to which the biblical law strives: a periodic redistribution of wealth; a "leveling" of the economic playing field. In its goal of creating a society in which there will "be no poor among" the Israelites, Deuteronomy legislated the septennial release of debts. In establishing the *prozbul*, the Mishnah may be attempting to "save" the Torah, but it most certainly does not preserve Torah's concern about curbing the power of money over time.

Making Meaning from Legal Changes A Recognition of Economic Reality

Different scholars (and religious practitioners, for that matter) take different approaches to interpreting these legal changes. A first model treats such changes as recognitions of economic realities. Tamari stands as a scholarly exemplar of this approach. Recall that with interest, for example, he approaches the *heter 'iska'* as a legal mechanism which "formalizes" an extant situation, and asserts that it "is not to be regarded as a legal subterfuge."¹³⁵ He does not address the *prozbul* directly.¹³⁶ He does,

¹³⁵ Tamari, *With All Your Possessions*, 185

¹³⁶ It remains possible that in other works, Tamari does address or analyze the *prozbul* clause and its import for the topic of debt in Jewish law. Here I specify that within the texts of *With All Your Possessions* and *The Challenge of Wealth* I cannot find a discussion of this topic. This may be considered an oversight, or alternately may have been understood as irrelevant by Tamari because of the nature of the sabbatical laws applying only in the land of Israel.

however, express a concern that contemporary trends favoring debtors in bankruptcy situations should not be considered within the bounds of *Halakhah*:

In recent years, bankruptcy laws in many Western countries have been relaxed in favor of the debtors... It seems that *Halakhah* does not approve these lenient trends. After all, the debtor does not possess any moral right that would absolve him from repayment of his debts or legally coerce the creditors to withdraw their claims... In contrast, *Halakhah* defines as a form of robbery, the arrangements for part payment in settlement of debt.¹³⁷

Presumably, Tamari would understand the *prozbul* in similar fashion to the way in which he understands *heter 'iska'*. In decreeing *prozbul*, Hillel was merely acknowledging the economic reality that credit was not flowing through the ancient economy—a reality that harms both lenders and borrowers—and thus acted in a way that helped to preserve the *Halakhic* system as a whole.

As an exemplar of this “recognition of reality” approach, Tamari’s thought aligns quite well with standard orthodox religious views. Since, according to the classical *Halakhah*, the entirety of the rabbinic law was given to Moses at Sinai, and passed throughout the generations, any such legal decisions that appear to us as innovation or legal creativity in fact represent only a more correct interpretation of the written text. The *heter 'iska'* does merely acknowledge the range of possible transactions—it doesn’t ignore the Torah’s call to take caution with money’s power. The *prozbul* merely prevents the economy from collapsing under the weight of no credit, and Hillel understood this and his action did preserve Torah (as the Mishnah itself states) when he decreed such a contractual possibility. The economic theory embedded within the *Halakhic* system relies on the validity of these major legal adaptations. Thus even if they appear to the

¹³⁷ Tamari, *The Challenge of Wealth*, 208-209

contemporary reader as legal change, they represent merely a recognition of economic reality that the Torah most certainly foresaw.

Intentional or System-Building Approaches

Still other scholars acknowledge the changes *as* changes. These scholars apply logic of system-building or intentionality to the legal changes that appear in the laws of interest and debt. Neusner understands the Mishnah to be a cohesive, systematic document that seeks to establish a systematic worldview in the economic realm. With the laws of interest, for instance, he reads chapter 5 of Baba Metzia as the essential component in Mishnah's complete *exclusion* of money from its notion of wealth:

It is [the prohibition of interest] that forms the arena in which the framers of the Mishnah define their conception of wealth, its identification with land and the produce of land; the exclusion, from the notion of wealth, of (mere) money; the indifferences to capital and investment; and the other aspects of the profoundly Aristotelian economics characteristic of their system.¹³⁸

He applies a similarly systematic conclusion in his understanding of the *prozbul* mechanism. The fact that the “sabbatical year does not cancel payments which would prevent Israelite merchants from conducting their business” ultimately serves “to exclude from the sabbatical system the entire commercial economy.”¹³⁹ Building from such legal changes, among others, Neusner concludes that while the Mishnah does not have an economics as we would recognize today, it has a dual system of recognition of the market alongside a “distributive economics” centered around the Temple and its system of tithes.¹⁴⁰

¹³⁸ Neusner, *Economics of the Mishnah*, 100

¹³⁹ Neusner, *Economics of the Mishnah*, 122

¹⁴⁰ Neusner, *Economics of the Mishnah*, 114-135

Such conclusions remain too broad. Ultimately Neusner misunderstands the redactional nature of Mishnah when he reads it as having such a comprehensive, systematic approach. Nevertheless, the way he reads remains instructive. Rather than understanding the changes in economic thought and law between the Torah and the first layer of written law as natural or simple recognition of economic reality, he reads them as intentional choices made by the redactors of the Mishnah. Instead of a religious approach, or a generous academic approach that reads Jewish economic law with contemporary economic textbooks in hand, Neusner paves a way to acknowledging the active hand of the sages and redactors and transmitters of Jewish law in determining the course the laws would take. We cannot assign credit or blame to an invisible hand for the changes in *Halakhah*. Those changes stem from human action.

Ohrenstein represents another voice that ascribes intentionality to these legal changes. As noted above, he pays careful attention to the linguistic shift between Torah law and rabbinic law with respect to interest.¹⁴¹ He ultimately understands the shift as primarily one which recognizes the quality of time as a resource. The biblical law, he reasons, “saw no moral justification” for the permissibility of interest-bearing loans because “by the ordinary process” of economics in an agricultural society, borrowers would never really be able to repay loans with interest. Thus the Torah law implicitly understands time “as if it were neutral or passive.”¹⁴² In later rabbinic thought, however, one particular Babylonian sage “introduces the time factor as the principle determinant of interest.”¹⁴³

¹⁴¹ Ohrenstein, *Economic Analysis in Talmudic Literature*, 84-87

¹⁴² Ohrenstein, *Economic Analysis in Talmudic Literature*, 85

¹⁴³ Ohrenstein, *Economic Analysis in Talmudic Literature*, 87

אמר רב נחמן כללא דריביתא כל אגר נטר ליה אסור

Rav Nahman stated: the principle of interest is that any payment for waiting is prohibited.¹⁴⁴

Explicitly, then, this propels the law of interest forward in a new direction. Time shifts from a passive or neutral factor to the essential ingredient in determining what qualifies as interest. Ohrenstein proceeds to use this shift to help prove his claim that Talmudic thought preceded economic thought:

In the light of the foregoing analysis, it is easy to see that long before [early economists] presented... [concepts] of time preference... R. Nahman... [posited] a far more sophisticated approach toward the nature of interest by describing it as a reward for “waiting.” As is well known, the very same description was employed by Alfred Marshall sixteen hundred years later, although its Talmudic source remained beneath his notice. Indeed, this Talmudic insight is a short step away from the full-fledged time preference theory of interest as advanced by Boehm Bawerk.¹⁴⁵

Ohrenstein does not analyze the *prozbul* with the same eye towards understanding its economic impact, though he does briefly mention the release of debts in his chapter “Old Wisdom and the Written Law” which surveys the economic topics addressed by the Torah’s codes of law.¹⁴⁶ Yet ultimately, like Neusner, Ohrenstein openly acknowledges the changes in legal understanding between Torah and rabbinic economic thought. Unlike Neusner, however, he does not argue for such a broad, systematic intentionality in the system. His claims remain far more modest. For him, the changes in economic thought represent a type of development in human insight on economic matters. Sages like Rav Nahman demonstrate a level of critical thinking that can be lauded as ahead of his time, and analyzed for their economic import even if not towards *Halakhic* aims.¹⁴⁷

¹⁴⁴ b. Baba Metzia 63b

¹⁴⁵ Ohrenstein, *Economic Analysis in Talmudic Literature*, 88

¹⁴⁶ Ohrenstein, *Economic Analysis in Talmudic Literature*, 32

¹⁴⁷ Ohrenstein, *Economic Analysis in Talmudic Literature*, 82, 89. He mentions twice that his goal in his chapter on time preference is “analytic” rather than “halakhic.”

A Normative Approach

While some scholars recognize these economic legal changes (i.e. Neusner and Ohrenstein), and others see them as mere recognition of economic reality (i.e. Tamari), none of them address the human role in creating and preserving such changes in economic law. Neusner chalks it up broadly to the Mishnah's systematic, world-building approach.¹⁴⁸ Ohrenstein surmises that they relate to the economic realities of the era.¹⁴⁹

Applying an ethic of suspicion, however, requires not only acknowledging the role that human beings had in shaping the course of economic law, but admitting that we continue to have that power as we bring Torah to life in economic *halakhot*. Importantly, this approach does not need to take a stance between the scholars in which approach most accurately understands these legal changes. It could be that at times they represent recognition of economic realities, such as the need for credit to flow and not be interrupted by the septennial release of debts. It could be that there was a more active process involved, akin to that which Neusner or Ohrenstein describe. If one were so inclined, she could even read a more nefarious intention on the part of the sages who interpreted, altered, and preserved a new vision of economic law. After all, the sages who had the privilege to study and learn most often represented a rung of the socio-economic ladder that had the resources to do so, and the changes evidenced throughout this chapter can be understood as preserving the economic power of the sages whose learning and insight preserved the law. Choosing precisely between these reasons, however, need not concern us.

¹⁴⁸ Neusner, *Economics of the Mishnah*, ix. He refers in his first sentence to Judaism as a "world-construction," but this sentence represents a broad general synthesis of his approach in *Economics of the Mishnah*.

¹⁴⁹ Ohrenstein, *Economic Analysis in Talmudic Literature*, 84-85

At stake here is the fact that these legal changes demand an adjustment to our Jewish economic theology. If we wish to preserve the economic values that Torah espouses, alongside the shifts in perspective that the rabbinic tradition brings, we must find ways to reclaim Torah's skepticism of money's ability to store value. A system that exhibits such an ethic of suspicion, even if its later legal developments eschewed this concern, does not align itself perfectly with a contemporary field that measures wealth in monetary terms. These legal changes, then, serve as evidence that a Jewish economic theology—a Jewish understanding of the activities of buying, selling, producing, and consuming—must treat money itself with some degree of skepticism. When the *Halakhic* system ignores this ethic of suspicion that Torah presents at the most foundational layer, it ignores a central feature of its own economic theology.

Beyond the ethic of suspicion towards money as a store of value, a Jewish economic theology presents an additional realm of evidence that wealth encompasses more than mere monetary value: the prominence of land and agriculture.

The Prominence of Land and Agriculture

The centrality of land and agriculture in biblical law, along with the corresponding areas of rabbinic law, helps to demonstrate that the Jewish theology of economics defines wealth in life-sustaining terms. The narrative of the people Israel presents more than the story of slaves being freed. The economic world that the tale helps bring to life offers the promise of God bringing the Israelites to a productive land—one that with their

work, and with God's blessing, would sustain their very lives.¹⁵⁰ A holy people pursues a just society through its mindfulness and attention to the land and its produce.

It follows that the legal codes of the bible state the majority of their economic ordinances in relation to agricultural concerns. The Israelites are thus commanded to tithe ten percent of their harvest to sustain the poor and the priests.¹⁵¹ Israelite farmers are commanded to leave the corners of their fields and their dropped gleanings for the poor to gather from and eat.¹⁵² Moreover, Torah states the very rewards for compliance with the covenant in agricultural terms. Plentiful rain for the land and the fruitful multiplication of herd and human alike awaits obedient Israelites.¹⁵³

Later *Halakhic* texts maintain the concern with the goods which sustain material life. The entire tractate תענית, "public fasts," serves as an example. The text details the regulations for the fasts which the public must decree when rain has not fallen. Without the rain, of course, agricultural endeavors fail, crop harvests do not meet the needs of the population, and suffering increases. Without rain and land—without agriculture—there can be no food, and ultimately no life. Another example lies in one of the details of the *prozbul*. The same chapter that articulates the creation of a *prozbul* stipulates that one cannot be written *except* on land as collateral.¹⁵⁴ Conceptually, this suggests that when one yields to money's power of storing value beyond what scripture suggests (by enacting a *prozbul* and thus circumventing the release of the debt,) it must be done with

¹⁵⁰ Deut. 4:1, 8:7-11

¹⁵¹ Deut. 14:22-29

¹⁵² Lev. 19:9-10, 23:22; Deut. 24:19-22

¹⁵³ Lev. 26:3-6, 9-10; Deut. 7:12-15, 11:13-15

¹⁵⁴ m. Sheviit 10:6

land as collateral. When one makes a concession to money's power, he must counter it with a concession to something with non-monetary value.

I believe that Neusner's approach would ostensibly concur, at least in part. He himself argues that the centrality of agriculture establishes a new definition of wealth in his argument that for the Mishnaic system, only land *in* and *of* Israel constitutes wealth.¹⁵⁵ He continues, insisting that fundamentally money cannot be understood as wealth because:

the framers took for granted that money formed a commodity for barter, and that all forms of profit—all forms!—constituted nothing other than that “usury” that scripture had condemned.¹⁵⁶

Despite any flaws of his argument, Neusner points to an undeniable truth: an economic theology does not allow unlimited power to money's ability to store value cannot define wealth solely by money. In such an economic theology, something else must at the very least contribute to any definition of wealth.¹⁵⁷ In the case of a Jewish economic theology, land plays this role because it produces food and thus provides the setting for humans to be able to self-sustain.

One might argue that land plays this role in the scope of biblical and rabbinic law merely as a reflection of the society which produced these texts. An agricultural society states its laws in terms of agriculture, just as an industrial society might state its laws in terms of industry. This argument merits further scrutiny. It seems beyond reproach that stories and laws always develop in specific social, historical, and economic contexts. The

¹⁵⁵ Neusner, *Economics of the Mishnah*, 92-97

¹⁵⁶ Neusner, *Economics of the Mishnah*, 93

¹⁵⁷ Neusner implies that money has no role in defining wealth in the Mishnah, but this conclusion remains far too broad. The argument here should not have been that land supplants money as wealth entirely, but simply that for a Jewish economic theology it represents an additional and vital component of any understanding of wealth.

same applies to Torah and rabbinic law. The focus on agricultural life within these realms can most certainly be understood as endogenous or intrinsic to the system.

Yet that endogeneity can coexist with a wide conceptual reading such as mine. Jewish economic theology can be understood to focus on agriculture and land both because of the culture in which it was produced, and because of an undercurrent of economic thought which insists that preserving life itself represents a greater value than multiplying the sum of one's money. Certainly it would be strange for an agricultural society not to legislate on agricultural matters. Yet this does not mean that it cannot also shape its agricultural laws in a way that reflects a deep aspiration towards the establishment of economic justice.

Towards a Thick Definition of Wealth

This chapter has attempted to survey the foundational principles of any Jewish theology of economics. The decalogue can serve as a lens to access some of these values: the importance of a legal framework for any and all market activity; the right to private property; the importance of limits to production and consumption; the role of narrative in shaping economic thought; the ultimate partnership with the Divine in any and all creation of wealth.

Unlike the approach of the contemporary economic discipline, such a system does not allow for a definition of wealth in strictly monetary terms. A Jewish theology of money must contend with the vast scope of Jewish law on interest and debt. The commandments found in Torah on these topics aim to restrict the ability of money to wield undue power. This demonstrates an ethic of suspicion which resounds despite the

evolution of legal means to circumvent these laws. Wealth, for a Jewish theology of economics, can include money, but must also include land and its produce.

Ultimately this leads to a “thick” definition of wealth. People can become “owners” of property and possessions, but they must accept limitations, and God’s partnership. Wealth can include money. Conducting business cannot be purely evil, because it helps sustain life. Yet some aspect of what constitutes “wealth” exists also in the land and *its* ability to support life. The very meaning of wealth cannot be divorced from the ultimate purpose of all economic activity: sustaining human life.

Economic Ethics: Relationships and Ethical Pluralism

ויקם אברהם מעל פני מתו וידבר אל בני חת לאמר: גר ותושב אנכי עמכם תנו לי
אחזת קבר עמכם ואקברה מתי מלפני: ויענו בני חת את אברהם לאמר לו: שמענו
אדני נשיא אלהים אתה בתוכנו במבחר קברינו קבר אץ מתך

And Abraham arose from the face of his dead, and he spoke to the Hittites, saying “I am a resident alien amongst you, but sell to me a burial site so I might bury my dead from before me.” And the Hittites replied to Abraham, saying to him “Hear us, my lord: you are a prince of God amongst us! Bury your dead in the choicest of our burial sites.”¹

The story then continues as Abraham and Efron the Hittite engage in a form of *משא ומתן*, a business negotiation. Each time, Abraham insists on paying for the cave, and Efron insists on *giving* it, until finally, Abraham hears Efron dismissively mention a price of 400 shekels.² Abraham then accepts this as the fair price, weighs out his money, and takes possession of the cave, allowing him finally to bury Sarah.³

The story traditionally demonstrates Abraham’s meritorious, righteous nature: he insists on doing the right thing and *purchasing* the cave, rather than taking it as a gift. Traditionally, one might learn the importance of conducting honest transactions and paying fair value from this story. A more cynical reader might wonder how Efron would tell the tale. Did Efron’s understanding of ownership even encompass land to begin with? Was he insulted at Abraham’s ultimate decision to toss him a bag of silver, instead of accepting his gift? How can we be certain that Abraham’s action was righteous as the tradition would have us believe?

Stories and laws like this—those that address the exchange or sale of goods or services—attest to scripture’s interest in understanding and regulating market

¹ Gen. 23:3-6

² Gen. 23:15

³ Gen. 23:16-18

interactions. A market can exist anywhere goods are sold or exchanged. Here, Abraham and Efron's interaction creates a market—however temporary or fictional. More broadly, markets are the mechanism by which people acquire and distribute the goods and services that sustain them. While Jewish law presents a range of understandings of the role of markets and proper behavior within them, stories like this suggest that relationships lie at the heart of markets.

In this case, it's a relationship between two individuals—Abraham and Efron. Today, the transactional relationships that create markets more often form between individuals and stores, firms, or companies—more nebulous conglomerations of individuals. Yet ultimately individuals do not meet their existential needs independently. When individuals come into relationship and exchange, they are creating markets. In our conceptual terms, markets represent the place where economic anthropologies meet economic theologies. The way one understands a market (and ethical action within it) depends on the way one understands human nature in the economic realm *and* the fundamental views of the world one holds with regards to economic activity.⁴

This chapter attempts to show that combining the Jewish economic anthropology and theology discussed in the previous two chapters produces a distinctly Jewish way to understand markets. Building from such an understanding, I conclude by presenting a pluralistic model for economic ethics. Such a model attempts to demonstrate a method which could further the revitalization of economic *halakhah*—a way to bring Torah to life in the economic realm. Before elaborating on my

⁴ cf. Siegel, "A Jewish View," 338

understanding of markets from within Jewish sources, however, I present a brief summary of academic economists' understanding of markets.

The Market Mechanism in Contemporary Economic Terms

Contemporary economists might bristle at the idea that relationships form the essence of the market mechanism. Relationships rely on stories—stories of meeting and growth, the known and the yet-to-be known. Relationships cannot be easily quantified, and they eschew monetary valuations of their utility. Instead, economists like to begin with the premise that formally, markets depend on individual *freedom* to respond to incentives.

This idea can be traced back at least to the time of Adam Smith. Canterbury summarizes:

As early as Adam Smith... the market exchange system was presumed to depend on the free expression of individual rights: the freedom to buy whatever one wishes, to hire whomever one wants, to work in whatever occupation one desires, to work for whatever employer one chooses, to decide freely to keep whatever share of one's earnings one wishes—that is, complete freedom to exchange and accumulate.⁵

Other economists might align more with Alfred Marshall, whose work propelled *price* as a defining factor in understanding markets.⁶ Recall from previous chapters that the standard economic premise with regards to price holds that as the price of a good fluctuates, people respond by adjusting their production or consumption of that good accordingly. Individuals act rationally act to advance their self-interest, maximizing the satisfaction of their preferences through their market behavior.⁷ Then in aggregate, the “invisible hand” of the market directs those actions to an ideal social outcome—an efficient outcome. The equilibrium of the unending process then ideally results in the

⁵ Canterbury, *A Brief History*, 10

⁶ Canterbury, *A Brief History*, 132, 134

⁷ At least insofar as monetary transactions can measure preference satisfaction.

exhaustion of “all possible voluntary trades that can satisfy the preferences of households.”⁸ In Pareto terms, no party’s economic outcome can be improved without diminishing another party’s outcome.⁹ Thus individual freedom to respond to (price) incentives, coupled with a price mechanism that freely adjusts, together form the critical components of the market mechanism in contemporary economics.

Of course, “most economists do not believe that the world actually works this way.”¹⁰ This understanding of the power of markets relies on too many critical assumptions, such as “perfect competition, perfect information, no externalities, stable preferences, rationality, and so on.”¹¹ Yet when the real world fails to meet these assumptions, economists describe such situations as “market failures.”¹²

More accurately, they are failures of the metanarrative—the story—that economists have long told about “the market.” That story lives in the gap between the ideal, perfectly competitive market (which has never yet existed in the real world) and the actual markets which govern the consumption and production of the goods which sustain human life. As I discussed in chapter one, this story generates an incredible amount of power, both mathematically and rhetorically, and simultaneously presents significant ethical challenges from within a Jewish framework.

Despite these challenges, the story of perfect markets organically evolving to yield efficient outcomes through aggregate pursuit of individual self-interest *does* represent a meeting of an economic anthropology and an economic theology. On the

⁸ Wight, *Ethics in Economics*, 77

⁹ Wight, *Ethics in Economics*, 78.

¹⁰ Wight, *Ethics in Economics*, 79

¹¹ *ibid.*

¹² *ibid.*

side of anthropology, the understanding that humans are bound to rationally pursue our self-interest needs no further explanation. On the side of theology, the economic discipline brings together several components. These include: defining the very field of economics with relation to scarcity; understanding wealth and value in strictly monetary terms; accepting the study of economics as a mathematical and analytical discipline, rather than insisting on its ethical underpinnings; trusting that societal welfare can indeed come about through the aggregate pursuit of self-interest. Combine these with the self-interested anthropology, and the power of the story of “the free market” is clear to see.

Markets: Where Anthropology Meets Theology to Form Ethics

One arrives at a very different story through the Jewish framework. With respect to a Jewish economic anthropology, the self-interest motive is replaced by the conception of *yeișer ha-tov* and *yeișer ha-ra'*—the good and the evil inclination that dwell within all human beings. Despite a recognition that sometimes the evil inclination's drive toward self-preservation aligns closely with the role of self-interest motive in contemporary economics, a Jewish approach demands that we channel our “evil inclination” towards acceptable purposes. People may *often* act in ways that seek only to maximize the satisfaction of their preferences, but a Jewish approach insists that we *always* have other choices. The importance of choice also leads a Jewish approach to reject the determinism inherent in an “invisible hand” which transforms individual pursuit of self-interest to societal wellbeing. On the contrary, we strive for the greatest level of social welfare when we people harness the self-interest motive (or the evil inclination) and actively choose to pursue something more lasting.

The Jewish economic theology brings several values to the equation. First, it offers a framework of law and narrative meant to help direct people towards their good inclination—towards their economic motives other than pure self-interest. The laws do this by encouraging respect for others' property rights, and setting limits to production and ownership. The legal framework insists that humans accept the Divine as co-owner of any and all material wealth. The story of the Israelite people also helps direct their economic action to follow after the good inclination. Constant reminders not to oppress others because you were once slaves serve as pretty heavy hints.

Next, Jewish economic theology contains a strong suspicion of money's ability to store value over time. That suspicion then insists on a definition of wealth that includes goods other than money—goods with the ability to sustain life, like land and food. We can think of these goods as having life-sustaining “value-in-use,” to borrow and revive Smith's term.¹³ This understanding of wealth inherently acknowledges the ultimately fleeting nature of human life, because it imbues actions that serve and preserve life with value beyond what can be quantified monetarily.

When these theological principles meet the Jewish economic anthropology, they produce a simultaneous appreciation for and suspicion of markets. Markets present chances for people to partner with God in preserving life by selling food, or other goods and services that not only sustain physical life, but enhance it. Markets create the opportunity for people to produce; to earn a living from their labor, serving none but God and themselves. Simultaneously markets present opportunities for exploitation of one over another—through unequal information, for instance, or improper use of

¹³ Sandelin et al., *A Short History*, 23

money and power. Due to their fundamental nature as relationships, markets present both opportunities and risks. The risks that markets present are not dissimilar from the risks of any encounter. Any time people interact with one another creates similar opportunities and risks. And the stories only continue when people make choices about how to navigate the range of possibilities.

To illustrate the relational nature of markets that Jewish narrative and law espouses, the following sections address select biblical, rabbinic, and scholarly texts on markets, respectively. While not exhaustive, these texts offer a survey of the sources that contribute to this understanding.

Biblical Texts on Market Behavior

As demonstrated in the previous chapter, the biblical legal codes contain rather specific laws on topics of interest and debt. Curiously, the same does not apply to markets more broadly. One of the most clear laws related to the marketplace appears in the Holiness Code of Leviticus 19:

לא תעשו עול במשפט במדה במשקל ובמשורה: מאזני צדק אבני-צדק איפת צדק
והין צדק יהיה לכם אני יהוה אלהיכם אשר הוצאתי אתכם מארץ מצרים

Do not commit injustice in judgment, in measurement, in weight or in quantity.
You shall have just scales, just weights, a just *efah* and a just *hin*—I the Eternal
am Your God that brought you out from the land of Egypt.¹⁴

The verse may seem to address those who *sell* goods in the market, weighing them out, and so on. Yet recall that precious metals that operated as money in the biblical period represented units of weight—thus the verse addresses any and all market participants, calling them to act justly in their market interactions.¹⁵ When they create relationships

¹⁴ Lev. 19:35-36

¹⁵ The grammar of the verse also uses a plural “you” in the Hebrew. This law applies, then, as a general market principle for all uses of scales, weights, balances—a broad call for honest practice in business.

that have the potential to help sustain life, they must remember to have concern beyond their own self-interest. Contextually, this verse concludes an entire chapter of laws which begins with the call for *imitatio Dei*—the pursuit of holiness in order to imitate God’s holiness. Naturally, the chapter includes other laws of economic relevance, such as the commandment to leave the corners of one’s fields and vineyards for the poor, and reminders not to steal, deal deceitfully, or economically oppress a neighbor by withholding wages.¹⁶ Leviticus 25 presents another verse attesting to the relational nature of market transactions:

וכי-תמכרו ממכר לעמיתך או קנה מיד עמיתך אל תונו איש את אחיו
And when you sell property to your neighbor, or buy property from your
neighbor, do not wrong one another.¹⁷

The specific context here relates to sales of land in advance of the Jubilee year, but the principle applies to Jewish thought on markets. The phrasing maintains that either party in a given transaction could be liable for wronging the other, and this value translates directly into rabbinic law on fraud.¹⁸

Aside from their specific prescriptions regarding interest or debt, Exodus and Deuteronomy, for their part, seem to call more generally for upright behavior in the economic realm, without specific references to markets as such. They often do this with reference to the economic narrative of the people Israel—a people freed from slavery. Take this passage from Exodus 22 for instance:

וגר לא תונה ולא תלחצנו כי גרים הייתם בארץ מצרים: כל אלמנה ויתום לא תענון

¹⁶ Lev. 19:9-13

¹⁷ Lev. 25:14

¹⁸ m. Baba Metzia 4:3. I address this in the following sub-section at greater length.

You shall not oppress the stranger, nor pressure him, for you were strangers in the land of Egypt. You shall not mistreat any widow or orphan.¹⁹

This commandment does not technically address the “market.” Instead it sets forward a principle, an aspirational rule for Israelite society,²⁰ and it roots that principle in the Israelite’s past economic oppression; in their story. This type of language regarding “oppression” has traditionally been interpreted to include types of mistreatment *beyond* the economic, but it cannot be removed from its economic context. Here, Torah legislates an economic relationship between society as a whole and its most vulnerable members. That relationship must be characterized by justice.

Deuteronomy adds to the corpus of Jewish debt law with a statement about the proper boundaries in the relationship between lender and borrower. A lender may not enter the borrower’s home to seize their pledge used as collateral.²¹ Garments often served as pledges in this way, and an additional stipulation applies to use of the pledge for poor borrowers: the lender must return it each night so the borrower can use it.²² This law, too, does not directly address *general* market conduct, but addresses conduct in a particular market—the market for money. The verse insists that transactions in this market are inherently relational.

The biblical layer of Jewish story and law on markets, then, seems to indicate a need for reciprocity in the relationships that create markets. No markets exist without human beings (in implicit partnership with the Divine) coming into relationship with one another to meet their needs. Human society would not have the ability to self-

¹⁹ Ex. 22:20-21

²⁰ Here too, the grammar of the verses uses a plural form of “you,” ensuring that this verse can only be understood as applying to the Israelites as a collective.

²¹ Deut. 24:10-11

²² Deut. 24:12-13

sustain and self-perpetuate without individuals entering this type of relationship.

Neither does the Torah restrict this relationship to one between individuals.²³ The call for economic justice applies to the relationship between individuals (particularly the least well-off) and society at large.

Rabbinic Law on Market Behavior

With interest and debt, rabbinic law developed pathways to circumvent Torah law. The respective approaches to markets differs far less. Rabbinic law maintains the focus on the relational in market transactions. One sees this in the structural approach of case law used throughout rabbinic texts. Each time the rabbis illustrate a principle with a case, they implicitly recall the relational nature of market transactions. Like many of the topics addressed throughout this work, this area remains ripe for further exploration, research and study. I narrow the illustration here, yet again, to elements of a particular chapter of Mishnah which help to exemplify, in broad terms, the rabbinic approach.

Mishnah Baba Metzia chapter 4 addresses several key topics, but generally it addresses laws regarding the proper acquisition of movable property. The first *mishnah*, according to traditional interpretations, establishes the importance of acquisition by holding. In other words, until one takes possession of a good, they do not own it.²⁴ This *mishnah* in itself presents ample material for further study, particularly in its

²³ This seems to be a major difference between the economic laws of Torah and later Jewish law. Torah situates all of these economic laws amidst the context of societal welfare and economic justice. Only later, in rabbinic law do we learn that the laws of interest, for instance, only apply to transactions between two *individuals* (Tamari, *The Challenge of Wealth*, 179) and that non-Jews are traditionally excluded as well, with “גרים, strangers” living in your midst representing another category entirely. These distinctions represent an area for further research.

²⁴ m. Baba Metzia 4:1, Kehati commentary, Levin translation

understanding of what constitutes money. Yet the following *mishnah* begins to illustrate beautifully the relational nature of markets:

כיצד? משך הימנו פרות ולא נתן לו מעות, אינו יכול לחזור בו. נתן לו מעות ולא משך הימנו פרות, יכול לחזור בו. אבל אמרו: מי שפרע מאנשי דור המבול ומדור הפלגה, הוא עתיד להפרע ממי שאינו עומד בדבורו. רבי שמעון אומר: כל שהכסף בידו, ידו על העליונה

How [does this model of acquisition work?] [If] one took²⁵ fruit from another, but did not give him coins, he cannot retract the sale.²⁶ [If, however] one gave coins to another and did not take fruit from him, he may retract the sale. But [the sages] taught: “The One who exacted punishment from the generation of the flood and the generation of the burning, He shall in the future demand payment from any who do not stand on their word.” Rabbi Shimon taught: whoever has the money in his hand, has the upper hand.²⁷

The first two sentences of this *mishnah* illustrate the characteristic casuistic style. The short stories about taking fruit, without paying coins, or paying coins without taking fruit, both demonstrate the principle at work in the preceding *mishnah*.²⁸ The stories also imply, though, that market transactions occur only through relationship. In this case, the relationship exists between one who sells fruits and a buyer—nothing more, nothing less. The *mishnah* could end with permission to retract the sale if the goods have not been withdrawn, but it continues with the sages’ aphorism. They warn about the Divine punishment that awaits those who renege their word. Moreover, the sages use the biblical tales of destruction of the world by flood, and of the destruction of the cities of Sodom and Gomorrah by fire and brimstone, to emphasize the severity of the

²⁵ The technical Hebrew term here is משיכה or משך, literally withdrawing or drawing the goods.

²⁶ Lit. He cannot return on it

²⁷ m. Baba Metzia 4:2

²⁸ Rabbi Shimon, presents a minority opinion that presents a different model of acquisition of goods. The majority opinion typically guides further legal rulings, but curiously, Rabbi Shimon’s opinion preserves a testimony to the power of money. Whoever holds the money has an advantage once a transaction has occurred. This doesn’t contradict the relational nature of markets. If anything, it reinforces that transactional relationships imply dynamics of power, particularly given the use of money to facilitate trade.

eternal destruction that awaits those who go back on their word. One who has given money but not taken goods may retract the sale, but if they do so in a way which destroys the livelihood of the merchant, they ensure their own ultimate destruction as well. Thus the *mishnah* gives one side the upper hand by allowing retraction of the sale, but still seeks to maintain the integrity of the transactional relationship with a warning about honesty. Together, the components of this *mishnah* serve as a strong reminder that all transactions have two sides; all markets rely on relationships.

The next *mishnah* ostensibly aims to establish a mathematical definition of fraud, but it includes a short story that further reinforces the relational nature of markets:

האנאה ארבע כסף מעשרים וארבע כסף לסלע, שתות למקח. עד מתי מותר להחזיר?
עד כדי שיראה לתגר או לקרובו. הורה רבי טרפון בלוד: האונאה שמנה כסף לסלע,
שליש למקח ושמחו תגרי לוד. אמר להם: כל היום מותר להחזיר. אמרו לו יניח לנו
רבי טרפון במקומנו וחזרו לדברי חכמים

Price fraud²⁹ consists of four silver out of twenty-four silver to a *sela*, one sixth of the purchase [price.] Until when is one permitted to retract [the sale]? Until one can show a [different] merchant or a relative. Rabbi Tarfon taught in Lod: price fraud consists of eight silver out of a *sela*, one third of the purchase [price,] and the merchants of Lod rejoiced. [But] he [also] said to them: one is permitted to retract [the sale] all day [long.] They said to him “Rabbi Tarfon, leave us be in our place” and they returned to the opinion of the sages.³⁰

The initial ruling sets down a mathematical definition of price fraud along with a deadline for retracting the sale and claiming redress. Already, such a ruling acknowledges responsibility of both parties. But the story of Rabbi Tarfon and the merchants of Lod strengthens the relational nature of such legal rulings. The merchants rejoice at the wide latitude that Rabbi Tarfon seems to be allowing them with regard to

²⁹ The Hebrew word אונאה can be translated as oppression, fraud, overcharging—the context here makes clear that it refers not to generally fraudulent behavior in the contemporary sense, but specifically regarding the price of goods.

³⁰ m. Baba Metzia 4:3

setting their prices in relation to the market price.³¹ Yet when they learn that his ruling extends leniency on both sides of the transactional relationship, they voluntarily relate to the ruling of the sages stated at the outset of the *mishnah*.

The fourth *mishnah* in the chapter provides yet another assertion of the relational quality of market transactions:

אחד הלוקח ואחד המוכר יש להן אונאה. כשם שאונאה להדיוט כך אונאה לתגר.
רבי יהודה אומר אין אונאה לתגר. מי שהטל עליו ידו על העליונה. רצה אומר לו תן לי
מעוטי או תן לי מה שאוניתי

Both the buyer and the seller can be liable for price fraud. Just as there can be price fraud for a commoner, so is there price fraud for a merchant. Rabbi Yehudah says there is not price fraud for a merchant. Whoever was taken from, he has the upper hand. If he wants, he says to him “Give me my money” or “give me what you defrauded me.”³²

With the exception of Rabbi Yehudah’s minority (and non-binding) opinion, this *mishnah* could not be more clear that the laws of proper conduct in the market apply to both sides of any given transaction. The latter half of the *mishnah* stipulates two options for the wronged party, but ultimately, it establishes that either side of the initial transaction can be liable for wronging the other. All market participants have obligations to one another beyond the simple pursuit of their own self-interest.

The remainder of the chapter aims to further elaborate on these earlier *mishnaot*. One finds provisions for retracting sales in different locales,³³ an enumeration of transactions that are not subject to the laws of price fraud,³⁴ and even a doctrine of fraudulent or oppressive speech.³⁵ Yet the chapter relies upon and reinforces the

³¹ Neusner reads this *mishnah* as setting rules of price fraud in relation to absolute value of the goods. as I will address in the next sub-section.

³² m. Baba Metzia 4:4

³³ m. Baba Metzia 4:6

³⁴ m. Baba Metzia 4:9

³⁵ m. Baba Metzia 4:10

general approach: markets only form through the aggregation of relationships. Proper conduct in the market place—ethical economic action—demands that one recognize this reality of what constitutes markets themselves.

The proper functioning of the market—indeed, of the entire economy—requires people coming into relationship with one another and doing so justly.³⁶ In a Jewish framework, ethical choices begin with acknowledgement of mutual obligation. Unlike the contemporary economic discipline, in a Jewish economic ethics, markets do not rely first on individual freedom, nor on a freely fluctuating price mechanism, but on people recognizing their interdependence. The reliance on the relational in Jewish economic ethics matches the characteristic multivocality of the Jewish legal and narrative tradition. Relationships necessarily contain at least two distinct stories. The store clerk may simply hand you change and see their next customer, but in that moment of purchasing your soda, two lives—and thus two stories—intersect, or even collide. *Multiple* narratives present the possibility (and inevitability) of *conflicting* narratives. Eventually this leads to the need for an ethically pluralistic approach to determining ethical action and policy in the economic realm. Importantly, the various scholars' understanding of markets does not contradict this understanding that relationships are the foundation of market interaction.

Jewish Scholars on Role of Markets

Ohrenstein reads the “rabbis’ investigation of the workings of markets and prices” from this same chapter of mishnah and its related gemara, among other materials. His

³⁶ This may be characterized as a Buberian, or even a Levinasian approach to understanding markets, but I reserve such an analysis for future work.

argument can be reduced to the statement that within the rabbinic tradition, “there are scholars who favor a competitive price system as a regulatory mechanism of the market, and there are scholars who oppose it.”³⁷ He interprets Baba Metzia 60a-b as a primary text supporting price as a regulatory process:

In the case of price-based competition (i.e. one merchant charging a lower price than his neighbor), the sages “reasoned that price undercutting is instrumental in an ‘expansion of the market’; it is therefore healthy, even ‘a blessing.’ Thus, the sages insight into the workings of the market, as well as the efficacy of vigorous competition is unmistakably (sic) clear.”³⁸

While he thus understands “the majority of Talmudic scholars” to hold “a decidedly promarket orientation,” Ohrenstein treats the entire “doctrine of Ona’ah” as support for the “antimarket attitude” which rabbinic law took “for granted.”³⁹ He further interprets that not only did the rabbis exhibit a keen understanding of the role of price and supply in market activity, but that they also appreciated the role of demand as well—far ahead of their time.⁴⁰

None of this analysis, however, contradicts the argument I have put forth about the Jewish approach to the *nature* of markets. In fact, in recognizing and articulating that the tradition contains both support for a pro-market majority, alongside decidedly anti-market teachings, Ohrenstein implicitly supports the understanding that markets rely on relationships and the meeting of narratives. If rabbinic law both understands many of the features that contemporary economic theory deems important about markets, and maintains teachings, stories, and laws that serve as a counter-balance, then the tradition implicitly recognizes that any given market transaction contains at

³⁷ Ohrenstein, *Economic Analysis in Talmudic Literature*, 96

³⁸ Ohrenstein, *Economic Analysis in Talmudic Literature*, 97

³⁹ Ohrenstein, *Economic Analysis in Talmudic Literature*, 98-99

⁴⁰ Ohrenstein, *Economic Analysis in Talmudic Literature*, 99-101

least two sides. The legal rulings on the market reflect a pluralistic approach to determining ethical behavior. Sometimes the market mechanism ought to allow price to serve as a regulatory mechanism; at other times that process needs to be harnessed into ethical structures to avoid abuse.

In addition to addressing the “antimarket tendencies in the Talmud,”⁴¹ Ohrenstein points to the fact that the rabbinic tradition seems to contain an implicit understanding of the role of human agency in price formation. The presence of concepts like *bašoret* and *kafna* acknowledge that to some extent, price levels fluctuate *beyond* direct human control. Yet the rabbinic texts also recognize that human actions *do* impact price. The entire doctrine of price fraud inherently assumes that vendors must set prices, and if they set them too high, they might be liable for infringement of these laws. Even if, on aggregate, the actions of individual vendors cause market prices to fluctuate, human action contributes to price fluctuation. Importantly, the agency that people have in determining prices increases as the level of competition decreases. Monopolies continue to have price-setting power to influence markets, and economists still consider the difference between price-makers and price-takers to be meaningful. While it is true that advances in computing and mathematical modeling *have* removed human agency from price-setting for certain markets, financial products or transactions, this does not change the fact that human agency cannot be completely divorced from setting prices.

Like Ohrenstein, Neusner attributes a complex understanding of the workings of the market mechanism to the authors of the Mishnah.⁴² From there, however, their arguments diverge considerably. Neusner argues that the framers of the Mishnah did

⁴¹ Ohrenstein, *Economic Analysis in Talmudic Literature*, 98

⁴² Neusner, *Economics of the Mishnah*, 75-76

not recognize the market *as* a market in the economic sense, because they (as a political authority) did not yield control of the distributional quality of the market to something as impersonal as price:

The fundamental notion operative for the Judaism of the Mishnah opposed market trading, since an authority independent of the market mechanism intervened in the setting of prices and, hence, the rationing of scarce goods and services...⁴³

Instead, he reads mishnah Baba Metzia chapter 4 as the “systematic and orderly statement”⁴⁴ on “the notion of inherent value or true worth.”⁴⁵ His argument relies on his reading of the Mishnah’s treatment of money. Since transfer of money alone does not effect acquisition of goods, the Mishnah treats money as a commodity without intrinsic value. Money gains value only in exchange for other goods of value. According to this reading, Baba Metzia 4:1 serves as proof of the Mishnah’s “rejection of the conception of money as abstraction, a unit of value on its own.”⁴⁶ He proceeds to read the definitions of price fraud translated above in *mishnah* Baba Metzia 4:3 in relation not to a market price, but to a true price or value:

Quite what true value can mean is not at all clear, since the notion is a rather murky one. But the point before us is that an object has a true or intrinsic value, which cannot be exceeded in payment or receipt by more than 18 percent.⁴⁷

In asserting this interpretation of a notion of true value, Neusner assumes Aristotelian influence on the Mishnah’s framers.⁴⁸ Despite a fine analysis of this chapter of Mishnah, and a strong argument about the possibility to read the Mishnah as rejecting abstract

⁴³ Neusner, *Economics of the Mishnah*, 76-77

⁴⁴ Neusner, *Economics of the Mishnah*, 78

⁴⁵ Neusner, *Economics of the Mishnah*, 77. Essentially, this represents the thesis of Neusner's entire chapter 5, “The Market,” 72-91. This chapter probably represents the place where Neusner’s approach contributes the most, despite any of its flaws.

⁴⁶ Neusner, *Economics of the Mishnah*, 80

⁴⁷ Neusner, *Economics of the Mishnah*, 82

⁴⁸ Neusner, *Economics of the Mishnah*, 82

money, Neusner does not convincingly *exclude* the possibility of defining price fraud in respect to the market price, rather than the true value. His argument relies on the fact that since the Mishnah's framers maintained (even partial) control in setting prices, they did not recognize the market itself for its ability to distribute resources through the freely adjusting price mechanism:

In line with this conception prices must accord with something akin to true value, and the market simply facilitates the reasonable exchange of goods and services by bringing people together. The market provides no price-setting mechanism that operates on its own, nor is the market conceived as an economic instrument, but rather, as one of (mere) social utility in facilitating barter, encompassing, of course, barter effected through specie or money.⁴⁹

Once again, Neusner's conclusion remains too broad to be accepted in full, but it contributes important insights nevertheless. There exists ample evidence that despite a failure to recognize price as its own regulatory instrument for markets, the rabbis *did* recognize many aspects of what constitutes markets in the technical economic sense today.⁵⁰ Instead, I would adjust his claim in the following way. It may not be the case that the Mishnah systematically rejects money as abstraction, but simply that, following Neusner's reading of currency as commodity, the Mishnah maintains, in subtle ways, some of Scripture's concern about money as a store of value. It does not prohibit abstract money, but in requiring the transfer of the goods rather than the currency to effect transfer of ownership, Mishnah may be *including* an aspect of "true" or "inherent value" in its understanding, even if this is not the *only* element. In not allowing price to be the only determinant of value, this reading presents a less audacious conclusion than Neusner intended, but simultaneously a conclusion that supports definitions of

⁴⁹ Neusner, *Economics of the Mishnah*, 77

⁵⁰ Ohrenstein, *Economic Analysis in Talmudic Literature*, 66-72; 96-102

“economics” and “wealth” that prioritize “sustaining life” over “rationing scarce resources.”

Additionally, Neusner would seemingly concur with the claim that a Jewish economic ethics first approaches markets as places of meeting. He might not think this a broad or systemic enough conclusion, but the passage above states explicitly that in his reading, “the market simply facilitates... exchange... by bringing people together.”⁵¹ In other words, markets are places founded on relationships, and the product of those relationships (i.e. the exchange of goods and services) helps to sustain life. In fact, this aspect of markets is what makes them markets under our definition. Rather than focusing on their role distributing scarce resources through price, Jewish economic ethics treat markets first for their capacity to bring people together to help sustain society.

Levine and Tamari present an approach most similar to mine on markets. Writing from within the *Halakhic* framework, they implicitly trust Ohrenstein’s claim that the sages’ knowledge of markets “anticipates” contemporary understandings.⁵² Tamari effectively makes the same claim about the price mechanism:

The role of the marketplace in determining prices through the supply and demand mechanism was recognized by the sages and defined precisely in the Talmud some fifteen hundred years ago.⁵³

Despite appreciating the “organic” adjustment of the market, and the role of price in determining market behavior, both scholars would concur that the sages recognized occasional needs to regulate price or intervene in the market. Tamari writes that “the

⁵¹ Neusner, *Economics of the Mishnah*, 77

⁵² Ohrenstein, *Economic Analysis in Talmudic Literature*, xv

⁵³ Tamari, *With All Your Possessions*, 84. His entire chapter, “Competition, Prices, and Profits” (83-125) offers useful survey of texts and approaches to these issues from within the classical Halakhah.

regulation of prices, profits, and competition was a legitimate concern of the rabbinic courts.”⁵⁴ Levine gets even more explicit, stating “as is evident from the many instances in which Halakhah calls for intervention in the marketplace, Judaism rejects the model of unbridled capitalism.”⁵⁵

This recognition that the *halakhic* tradition has never endorsed a fully “free,” laissez faire conception of the market relates directly to the importance of human conduct and ethical action in the marketplace. For Levine, one might summarize the key to economic ethics lies in the following thesis:

Judaism enjoins a market participant to act in a manner that will make his integrity objectively evident. It aims at conduct that will sanctify the mundane, i.e., behavior that will contribute positively to the moral climate of society.⁵⁶

If relationships did not form the most basic layer of the market, there would be no other person to whom one should make his “integrity evident.” For market behavior to contribute anything—positively or negatively—to the “moral climate of society,” one must accept that markets do not exist independent of relationships between people; between each one and society. For Tamari, fittingly, the laws of price fraud discussed above stand as one of the rabbis’ ways of addressing “the moral issues involved in questions of profits and pricing,”⁵⁷ which he defines as follows:

the price abuse of one party to a market transaction, as well as the ignorance of the other parties, their inability to protect their rights, or their economic strength to withstand exploitation. [These are] the moral issue[s] regarding price fraud, and it is this aspect that Judaism addresses.⁵⁸

⁵⁴ Tamari, *With All Your Possessions*, 86

⁵⁵ Levine, *Economics and Jewish Law*, 6

⁵⁶ Levine, *Economics and Jewish Law*, 9

⁵⁷ Tamari, *The Challenge of Wealth*, 55

⁵⁸ Tamari, *The Challenge of Wealth*, 54

The Jewish treatment of markets begins in the relational aspect for these writers. Unlike Neusner's assertion that Mishnah rejects price as an independent, rationing mechanism, they read Jewish law to recognize the power of the price mechanism. It merely legislates towards a "just price"⁵⁹ out of its concern for the integrity of the relationships that form markets. While Levine and Tamari would likely object to the understanding of self-interest I put forward in chapter 1, on the whole, it seems that their grounding within a traditional *Halakhic* approach supports the reading I have articulated here. A Jewish economic ethics treats markets as mechanisms by which people interact to ensure the survival of one another, and the thriving of society as a whole. The laws of price fraud reinforce this: through insistence on reciprocity between buyers and sellers; through reminders of the importance of one's words in business; through the aspirations to make each and every transactional relationship that forms a market just.

Translating this understanding into policy or advocacy eludes simplicity, but these deeply embedded economic values can be applied to contemporary life. In order to accomplish this, we require a model for understanding the complex processes that influence ethical decision-making in the economic realm. The model must integrate an understanding of markets as relationships, along with the underlying economic anthropology and theology discussed in previous chapters. Below, I outline how an ethically pluralistic approach can accomplish this. Prior to elaborating and demonstrating the merits of the approach, however, I must address the merits of applying a Jewish framework to thought about economic policy in a universal, or secular, realm.

⁵⁹ Tamari, *With All Your Possessions*, 86

The Problem of Particularism

This framework for ethical pluralism I propose below attempts to create a structure for considering ethical action with regards to economic policy. The model insists that in order to bring Torah's wisdom on economic affairs to life, one must consider that wisdom to be universally applicable. The model assumes that the Jewish legal and narrative tradition can contribute positively to the pursuit of an economically just society. Critically, this means that the model and the vision do not just apply to the Jewish people, or even to a Jewish state, but to an entire nation, or even the world at large. This represents a necessary departure from the classical *Halakhah*, which typically applies vital elements of economic law analyzed throughout this work in a particularistic fashion—one that applies only to the Jews, or to the land of Israel.

The classical *Halakhic* approach to interest, for instance, does not apply to non-Jews.⁶⁰ The law developed this way, at least in part, because of the difference between the way Deuteronomy frames the law from the language Exodus and Leviticus employ. Recall that of the three iterations of the laws of interest in the Torah, those in Exodus and Leviticus use terms like *אָחִי*, *brother* or *kin*, and they say nothing of outsiders.⁶¹ Deuteronomy, however, explicitly addresses and *at least* permits interest bearing

⁶⁰ cf. Tamari, *With All Your Possessions*, 179-183; Tamari, *The Challenge of Wealth*, 179. It would be remiss not to mention the historical reality that Christian readings of these verses, ironically, may have helped funnel Jews into money lending throughout the middle ages because Jews could facilitate interest-bearing transactions with their Christian neighbors, and Christians understood the law against usury to apply against their own transactions. Tamari addresses this in his survey on money and moneylending (*With All Your Possessions*, 161-169). He argues that it was not the hostility of the surrounding cultures that led Jews into this field, however, as much as it was their “initiative and entrepreneurial ability” along with a “relatively high moral standing” which did so (165-166). Whatever the reason, this paper has not attempted to examine the socio-historical influences on the development of Jewish economic theory, let alone specific areas like interest and money lending. Such areas represent fertile ground for future scholarship.

⁶¹ Ex. 22:24, Lev. 25:35-37

transactions with non-Jews. Here again is my translation: “Do not charge interest to your kin... To the foreigner you may charge interest and to your kin you may not charge, so that the Eternal your God will bless you...”⁶²

I write that Deuteronomy “at least” permits the lending at interest to non-Jews because some have traditionally interpreted the text as a positive commandment, that the Israelite positively *must* or *shall* charge interest to the foreigner. This interpretation stems from a grammatical ambiguity in the biblical text. The Hebrew verb which I have translated as “you *may* charge interest, תִּשָּׂא” appears in the imperfect, or the future tense. But there exists no grammatical or linguistic distinction in Hebrew between a permissive imperfect (“you may”) and an exhortatory imperfect (“you must” or “you shall.”) Thus over the course of centuries of interpretation, this ambiguity created an important *mahloket*, or disagreement: does the text merely give permission to conduct this kind of transaction with non-Jews, or does it positively command the Israelites to do so?

The same ambiguity appears in Deuteronomy’s commandment on the septennial release of debts. “You may demand payment from the stranger, but that which shall belong to your kin you shall release [from] your hand.”⁶³ The text uses the same grammatical form, resulting in the same hermeneutical ambiguity. Tamari discusses the range of interpretations, noting that scholars as influential to the *halakhic* process as the Rambam and the Ramban did not agree on a proper reading. The Rambam understood it as a *mišvah*, a positive commandment, whereas the Ramban read it

⁶² Deut. 23:20-21

⁶³ Deut. 15:3

merely as a permission.⁶⁴ With the law on debt, Rashi's reading supports the Rambam—this is a positive commandment. The Ramban, however, can cite support from Saadia Gaon and Abraham Ibn Ezra—this verse indicates *reshut*, permission, but does not command.⁶⁵

Either way, the traditional *Halakhah* agreed that the laws of interest and debt did not apply to non-Jews. Tamari even uses this exclusion to minimize some of the ethical challenges of interest and money described in the previous chapter. For him, the exclusion of non-Jews from the laws of interest helps to prove “that taking interest is not regarded as being evil per se, but rather only forbidden because the Torah said so.” This follows from the fact that “this distinction between Jew and non-Jew does not exist in any of those laws dealing with intrinsically evil or immoral actions.”⁶⁶ His thesis on these laws can be summarized as follows:

From the verses in Exodus and Leviticus prohibiting the lending of money at interest and the related rabbinic legal and spiritual teachings, it is quite clear that the element of charity is involved, rather than an antimonetary [sic] philosophy or acts of theft and robbery.⁶⁷

In putting forth this argument, Tamari relegates the laws of interest to considerations of charity, mercy, and righteousness of the Jews to one another. He removes these laws from the economic realm altogether, and even suggests that this very consideration may have contributed to the placement of the laws of interest amongst the laws of idolatry and *niddah* in the late, determinative codes of Jewish law.⁶⁸

⁶⁴ cf. Tamari, *With All Your Possessions*, 179-183.

⁶⁵ Torat Chayim Chumash, Devarim, 129 (קכט).

⁶⁶ Tamari, *The Challenge of Wealth*, 179

⁶⁷ Tamari, *The Challenge of Wealth*, 177

⁶⁸ Tamari, *The Challenge of Wealth*, 180

Notwithstanding the traditional *halakhic* resolution of the disagreement, and the possibility that interest-bearing transactions pose less moral challenge than I have interpreted, the very ambiguity creates a straightforward opening for universal application of these laws. Begin by ruling with Nachmanides or Saadia Gaon, and understanding these monetary commandments to create permission, rather than obligation. A permission, however, creates the possibility that one will *not* act in a given way. I can appreciate the permission to conduct interest-bearing transactions with non-Jews, but still choose to act otherwise. Tamari himself brings forth a passage from the Mekhilta which suggests one possible reason to avoid interest-bearing transactions with non-Jews:

Acts of *chesed* enjoined on the Jew, such as the interest-free loan, should be extended to non-Jews—in accordance with the principle in Jewish law that, “for the sake of peace,” Jews act on various principles of righteousness and kindness in their dealing with non-Jews, even when such behavior is not biblically obligatory.⁶⁹

Ultimately, the reason why one chooses not to exact interest on foreigners or non-Jews makes no difference. Though given that I have interpreted the laws of interest and debt as part of a re-definition of wealth and economics itself, it stands to reason that an ethical framework for economic behavior should be able to apply to any and all who control or create wealth. The definitions of these areas would be shallow if we refused to extend them *all* market participants—to all of the humans who, in their interactions, create markets and sustain life.

To summarize, I follow the school of the Ramban and the Gaon: Torah gives a mere permission to treat foreigners differently in these economic matters. Given the

⁶⁹ Tamari, *With All Your Possessions*, 181

readings put forth throughout this work, moreover, the pursuit of an economically just society guides us to acknowledge the permission, but ultimately to make a different choice. The ethically pluralistic framework for considering economic policy that follows thus assumes no distinction between Jews and non-Jews in its approach.

Wight's Framework of Ethical Pluralism

A model of ethical pluralism in economics demands a recognition that there can be multiple pathways for answering ethical questions in the economic realm. Such a model stands as a necessary outcome from the Jewish approach to markets that understands them to comprise, in their essence, no more than an aggregation of relationships. In a multivocal tradition like the Jewish narrative and legal legacy, no other type of model could survive scrutiny. This model builds from Jonathan Wight's powerful, concise introduction to the different moral frameworks that already impact economic policy-making in the contemporary world.⁷⁰ I present a summary before adapting the model to my preceding analyses.

Wight sets forth three primary pathways for ethical decision-making: consequentialist ethics, rule- or duty-based ethics, and virtue ethics. Consequentialist ethics might also be called outcome-based ethics. This framework judges actions by their intended, or expected, outcomes. Economics tends to operate in the consequentialist sphere particularly when the goal of economic efficiency serves as the desired "outcome."⁷¹ Rule- or duty-based ethical frameworks determine the correct action by their adherence to a set of pre-determined commitments. Wight carefully

⁷⁰ Wight, *Ethics in Economics*, 3-56; 210-230. These passages represent the bulk of his argument on ethical pluralism, but he relies on these frameworks throughout the book.

⁷¹ Wight, *Ethics in Economics*, 11

notes that these could be secular (a la Kant) or religious duties, but they exhibit a fundamentally non-consequentialist character. Following the given rule can be considered proper action regardless of the consequence.⁷² Virtue ethics suggests that rather than having “the goodwill to choose, and the self-control to carry out” ethical decisions, “humans need to be taught, encouraged, inspired, and even cajoled to do the right thing.”⁷³ In other words, humans need to be taught *virtues*, and applying and aspiring to live a virtuous life requires constant growth and assessment of proper behavior.

Arguments for policy decisions, or private economic action, for that matter, can travel any of these three pathways. An ethically pluralistic framework attempts to categorize given arguments or actions into their appropriate framework. Does a given policy seek to justify itself with an appeal to economic efficiency or welfare? How would a rule-based ethics or a virtue ethics understand that policy? Using such a model, in turn, creates a “three-dimensional approach” which “can be helpful in understanding competing points of view.”⁷⁴ These frameworks may overlap, even substantially.⁷⁵ Nevertheless, only an ethically pluralistic framework for analyzing economic behavior recognizes “the likelihood that people make choices” using “some mix of considering outcomes, conforming actions to principles, and exploring character or virtue as part of meaning and identity.”⁷⁶

⁷² Wight, *Ethics in Economics*, 12-13

⁷³ Wight, *Ethics in Economics*, 47

⁷⁴ Wight, *Ethics in Economics*, 15

⁷⁵ Wight, *Ethics in Economics*, 16

⁷⁶ Wight, *Ethics in Economics*, 17

Wight further refines the model by addressing qualities of *horizontal* and *vertical* ethical pluralism.⁷⁷ The *vertical* aspect refers to the interactive nature of each of the three frameworks upon one another within the market process:

In the messy world of life, the dimensions of virtues, duties/rules, and outcomes are interrelated and overlapping concepts to economic actors operating within social and economic institutions. The three frameworks may at times compete but also at times complete each other.⁷⁸

Importantly, this would also seem to apply to within any given economic actor, in addition to within any given “economy” or system. Wight uses the example of a vegetarian person’s reason not to eat pork, and cleverly notes that she might, in fact, put forth arguments for that choice from within all three frameworks.⁷⁹

Horizontal ethical pluralism refers to the reality that each framework contains a plurality of schools within it. The Kantian categorical imperative and the traditional *halakhah* both constitute rule-based systems, but clearly one would not expect them to reach the same ethical conclusion in every circumstance. Similarly, two people could both be making consequentialist arguments to enact a given policy, while simultaneously disagreeing on which consequence the policy promotes: one advocates it as an economically efficient policy, and the other claims it maximizes freedom. Both “efficiency” and “freedom” constitute outcomes, and thus such a situation produces a horizontal ethical pluralism in Wight’s framework.

⁷⁷ Wight, *Ethics in Economics*, 210-214

⁷⁸ Wight, *Ethics in Economics*, 211

⁷⁹ Wight, *Ethics in Economics*, 15-16

A Jewish Framework of Ethical Pluralism

My reading of the Jewish legal and narrative tradition on economic matters requires the use of an ethically pluralist approach to assess economically ethical policies and behaviors. Among other things, this stems from the multivocal nature of the tradition at large. A textual inheritance that can be read with ranges of (often conflicting) meanings eschews simple descriptions or maxims for which economic policies to formulate or support. Instead, we must explore a range of conclusions, synthesized from the economic values within the system, including the economic anthropology and theology of the system. A Jewish framework of ethical pluralism thus offers a holistic approach toward ethical decision-making in the economic realm.

Rule- or Duty-Based Ethics

The Jewish tradition contains teachings that operate within each of the three modes of ethical decision-making that contribute to Wight's model of pluralism. In this way, then, we might also consider *Halakhah* to support a pluralistic model, at least implicitly. Unlike the contemporary economic approach, where the consequentialist framework serves as the default, rules and duties hold this honor in a Jewish system. This point may be self-evident, or even redundant, given that by nature, a *halakhah* is a system of rules and duties derived from the rules and duties found in scripture. The classical *Halakhah* represents one such system, but liberal Judaisms employ their own understanding of moral and ethical rules, including in the economic realm.

We might consider any given verse or commandment to represent a "rule." The verse commanding just weights and measures posits a rule-based rationale for

conducting honest transactions in business.⁸⁰ Yet an observer of traditional *Halakhah* might also consider the context of that rule (the pursuit of holiness in striving to be like God) as the superseding duty or principle. That duty then includes a rule about honest behavior in the marketplace.⁸¹

In practice, not all of Torah's rules are considered equal in their import or weight. There are times when they might conflict with one another. For instance, the doctrine of saving a life, *piquah nefesh*, suspends basically any other *halakhic* injunction. Orthodox practitioners' approach to resolving conflicts between different *halakhot* differs widely from that taken by liberal Jews. Yet even the most ultra-orthodox practitioners would have to acknowledge that hierarchy exists between competing rules. This is precisely what Wight calls "horizontal" pluralism: even within the rule-based ethical framework of Jewish law, there can be multiple approaches to determining ethical action. Different *posqim* (rabbis who determine *halakhic* rulings) often arrive at different conclusions when considering a new case because they have applied different rules or principles from within *Halakhah*.

The interpretation I have articulated in this work posits definitions of wealth, and economics itself, with respect to their role in furthering, preserving, and sustaining human life. Such definitions necessarily and inherently reinterpret the foundational principle for economic action in a system influenced by Jewish law and narrative.

⁸⁰ Lev. 19:35-36

⁸¹ Dr. Adler wisely advised me to acknowledge that discourses on legal theory may consider *imitatio Dei* as a "principle," rather than a rule, cf. Dworkin, Ronald. *Taking Rights Seriously*. (Cambridge: Harvard University Press, 1977), 22-28. Future work might revisit this distinction in terms as it applies to Jewish economic theory. For now, I assume that the rule of just weights and measures acts more like a "rule" in the Dworkinian sense, while "being holy because God is holy" more likely represents a principle or duty. Yet despite implicit hierarchies of rules/laws/principles within Jewish law, the nature of each commandment as God's word traditionally implies that they have equal value.

Policies and actions can that help further the processes which sustain life are good; those that threaten or hinder life, are not. Naturally, certain policies or decisions might create situations in which rules conflict with one another. Here, again, it proves useful to refer to Dworkin's understanding that consequentialist goals can be used in ethical policy-making, but appeals to matters of principle often have to supersede or be matched by competing matters of principle.⁸²

While I have argued that we can derive this principle from the Jewish anthropology, theology, and ethics of economics, respectively, perhaps it has been present within the *Halakhah* all along. We might consider the principle simply an extension of *imitatio Dei*. One traditional name for God, in fact, is מכלכל חיים, the Sustainer of Life. Beautifully, the very Hebrew term for Sustainer, מכלכל/*mekhalkel*, uses the same root that the contemporary Hebrew language uses to describe economics itself in the word כלכלה/*kalkalah*. The Jastrow dictionary even defines the verb as “to provide with everything; to sustain.”⁸³ Thus the study of כלכלה, economics, in Hebrew, not only implicitly concurs with our definition presented in chapter 1, but also intimates that economic action can inherently help us act like God. In producing, distributing, and consuming the goods that sustain human life—we are acting like God. Importantly, Levine also considers *imitatio Dei* to be one of the “guideposts for interpersonal human conduct” in the economic realm.⁸⁴ Thus he might even concur that the foundational principle for ethical economic actions and policies in Jewish law requires those actions to pursue the sustenance of life. Whether one derives this from my analysis, from

⁸² Dworkin, *Taking Rights Seriously*, 90-100.

⁸³ Jastrow, *Dictionary*, s.v. “כלכל”

⁸⁴ Levine, *Economic Public Policy and Jewish Law*, 3, 12-16

imitatio Dei, or from any other *halakhic* principle, the principle of economics as life-sustenance presents a very strong counter-balance to consequentialist aims in the realm of policy.

One might argue that I derive this principle actually from a consequentialist framework; that I am judging the propriety of the action merely by the *outcome* of furthering or harming life. The fact remains, however, that the rule applies *not* to the outcome of sustaining life, but to the processes inherent in that sustenance. The market is the place where people come into relationship with one another to buy and sell the goods they use to fulfill their basic material needs. The creation of wealth, in addition to taking place in relationship with other humans and the world, represents an ongoing interaction or process. Critically, then, the rule applies to these processes—to these relationships, not to the *outcome* of more life. Moreover, the duty to act in ways that sustain life *cannot* be reduced to a consequentialist approach because the ultimate consequence of life is death. Far from being a trite cliché, the finality of death as life's consequence further prevents us from understanding the imperative to preserve life in consequentialist terms. Otherwise no economic action or policy could ever be right, because it would still eventually result in death. Instead, we must consider the ongoing pursuit of life, and the ongoing struggle to preserve it, to be the central component of the rule/duty frame for determining ethical economic action.

This principle informs a Jewish approach to economics. Policies and actions that help to sustain life, and that recognize such a pursuit as the ultimate goal of all wealth creation and economic activity, uphold this principle. Policies that threaten life or neglect it do not.

Consequentialist Ethics

The consequentialist mode of ethical decision-making presents significant difficulties for this model. First, one must determine *which* consequences merit pursuit. Making any such determination within a Jewish narrative and legal tradition that emphasizes rules and behaviors, *as opposed* to consequences, poses an inherent challenge. Levine argues that “efficiency takes on the character of a religious duty both in the formulation and the implementation of economic public policy.”⁸⁵ Whatever merit there may be to this argument, efficiency represents an outcome in this approach. I need not address precisely how Levine derives this conclusion, because he freely acknowledges that “efficiency is not the only consideration.”⁸⁶ Instead, “equity, or what society regards as fair, must also enter the decision-making process.”⁸⁷ By articulating a range of outcomes, Levine establishes a system in which policies must not only be shown to serve an outcome of interest to the system, but to minimize any negative impacts on other systemic outcomes of interest.

On a deeper level, consequentialist ethical approaches also pose a challenge by requiring a significant degree of certainty about the future. Even if there were only one possible outcome of interest (let it be efficiency, equity, or any other for that matter), one can never be sure that any given policy proposal will achieve that outcome. Economists can and do model impacts of given policies. They may even analyze historical data which demonstrates impacts of similar policies. Yet enacting a policy and

⁸⁵ Levine, *Economic Public Policy and Jewish Law*, 3

⁸⁶ Levine, *Economic Public Policy and Jewish Law*, 10

⁸⁷ *ibid.*

measuring its outcome after the fact represents a fundamentally different process than forecasting an outcome prior to enacting the policy.

Nevertheless, there exists ample precedent within Jewish law for using consequentialist approaches to determine the proper course of action. Levine's reliance on efficiency represents one such approach, complete with keen textual analysis. I also analyzed a specific textual example of this in chapter two. The Mishnah states that Hillel's decree of the *prozbul* was instituted "כשראה שנמנעו העם מלהלוות זה את זה, **when he saw** that people were prevented from lending one to the other."⁸⁸ In other words, Hillel first observed the *consequence* of the Torah's economic statement about the septennial release of debts. He then reasoned that further, this refusal of people to lend resulted in the violation of a rule—namely, the commandment to guard oneself against refusal to lend.⁸⁹ Since Hillel and the sages determined that *outcome* to be unacceptable, Hillel instituted *prozbul*, changing the law to achieve a different consequence.

Importantly, a different reading of Deuteronomy chapter 15 than the one that Hillel presents will lead to a different understanding of the desirable consequence. The text states, after all, that *if* the Israelites heed God's commandments,⁹⁰ the resulting outcome will be that "there shall be no poor among you."⁹¹ Thus rather than the outcome of not giving loans, Hillel may have forgotten the importance of the outcome of relieving poverty. Both sequences of reasoning apply consequentialist values, however—they merely aim to achieve different consequences.

⁸⁸ m. Shevi'it 10:3. Emphasis added.

⁸⁹ Deut. 15:9

⁹⁰ Deut. 15:5

⁹¹ Deut. 15:4

Ultimately, a Jewish framework for ethical pluralism in the economic sphere *allows* for the use of consequentialist reasoning. It employs consequentialist approaches when necessary, and those methods represent a necessary voice in determining proper action. Given the rule-based nature of Jewish law and narrative, however, consequentialist frameworks will never be sufficient on their own. They require the complementary rule-based and virtue ethical approaches to be meaningfully applied to policy.

Virtue ethics

Virtue ethical approaches fit remarkably well within the scope of a Jewish ethical pluralism. I suspect this relates to the importance of narrative to virtue ethics. Ultimately, the theory behind virtue ethics relies on people as narratives in process. People must be taught virtues, and we practice them due to encouragement and conditioning. We are always in process if we are seeking to be ‘good’ or ‘honest;’ to be virtuous. The action of each individual reflects their identity, or their aspirations for who they strive to be.

Within the traditional Jewish textual landscape, we find this approach in various places. We might consider Biblical wisdom literature, for instance, as guidance towards virtuous behavior: “לך אל נמלה עצל ראה דרכיה וחכם, Look to the ant, lazy one! Observe her ways and get wise!”⁹² The proverb enjoins the “lazy” person to be diligent and hardworking like the efficacious ant. This particular verse, then, even appeals to an *economic* virtue, but in appealing to *any* virtue, it merely serves as an example.

⁹² Prov. 6:6

One might even argue that biblical wisdom literature appeals to this conception of virtue ethics as a general approach. Again, from proverbs, later in the same chapter: “כי נר מצוה ותורה אור ודרך חיים תוכחת מוסר” for commandment is a candle, and Torah light, and the path of life is with the rebuke of discipline.”⁹³ The word used for discipline, *mussar*, calls to mind the ethical movement of the same name, which itself represents a virtue-ethical framework within the Jewish tradition. In the middle ages, Maimonides’ *shvil ha-zahav*, the path of gold, represents another type of virtue-ethical approach. His method implores people to aim for a golden mean in their temperances or qualities.

Most importantly, the doctrine of the good and evil inclinations, *yeiṣer ha-tov* and *yeiṣer ha-ra*, itself represents a framework of virtue ethics to some degree. As discussed in chapter 1, Jewish tradition understands the *evil* inclination to produce the human drive to procreate, or to produce the material goods for sustaining life. It is called *evil* not because these things are *necessarily* or intrinsically evil, but because in excess—unrestrained—they can most certainly *lead* to evil. It’s the good inclination that must harness the raw, base instincts of the evil inclination, so they do not lead to disastrous consequences. One teaching even suggests that we are born *only* with *yeiṣer ha-ra*:⁹⁴

אמרו שלש עשרה שנה גדול יצר הרע מיצר הטוב. ממעי אמו של אדם היה גדל ובא עמו והתחיל מחלל שבתות אין ממחה בידו... לאחר י"ג שנה נולד יצר הטוב כיון שמחלל שבתות אמר לו "ריקה הרי הוא אומר "מחלליה מות יומת?"

The sages taught that the evil inclination is thirteen years older than the good inclination. From the innards of man’s mother the evil inclination would grow and come with him, and if [the man would] begin to desecrate shabbat, there would be none to restrain his hand... After 13 years, the good inclination is born,

⁹³ Prov. 6:23

⁹⁴ Jeffrey Spitzer, “The Birth of the Good Inclination,” <https://www.myjewishlearning.com/article/the-birth-of-the-good-inclination/>, accessed 1/17/18. This article led me to the passage from Avot d’Rabbi Natan, and offers a nuanced take on the rabbinic doctrine of the good and evil inclinations in human beings.

because if he desecrates shabbat, it says to him “Empty-one, doesn’t it say ‘those who desecrate her will surely die?’”⁹⁵

The text explicitly states that one only acquires the good inclination with adulthood. But even more curiously, it implies that the good inclination has to be *taught*. Humans are born with their instincts for survival—the base drives that include the drive to procreate and to self-sustain. We must be instructed, both spiritually and intellectually, for our good inclination to come to life and help us channel those instincts for good.

In many ways, then, the ethic of suspicion that I posited at the end of the first chapter might subsumed under the virtue ethical approach to economic decision-making. Perhaps this highlights the distinction between the Jewish approach to self-interest and the secular approach. The Jewish approach understands the evil inclination and the good inclination as part of its virtue ethics. Good virtues—the good inclination itself—must be inculcated, taught, encouraged. People must attempt and strive to be virtuous. The evil inclination may be more concerned with outcomes, but it can (and must) be taught to submit to the good inclination. The secular economic realm simply sees the self-interest motive as part of its consequentialist framework. Humans inevitably will act to further their own self-interest—but that’s just fine, because it eventually leads to spontaneous harmony. In a Jewish framework, however, the possibility for outcome oriented decision-making to be just or righteous (following after the evil inclination / self interest motive) depends on vertical ethical pluralism. The evil inclination only leads to positive societal outcomes when the virtuous, good inclination has been properly cultivated.

⁹⁵ Avot d’Rabbi Natan 16:2

Markets, Narratives, and Pluralistic Ethics

This chapter has established that Jewish law understands relationships to form the fundamental building block for markets. The texts of traditional *Halakhah* can be read to support a wide range of understandings of the validity of the price mechanism as a means for distributing goods. Yet these texts cannot be divorced from their insistence that markets are an aggregate of moments of relationship, where two parties (or more) come together in transactions which help to sustain life. Moments of meeting inherently present both opportunities and risks, and market interactions are no different in this regard, though the stakes include life itself.

Given the relational nature of markets, ethical policies must have sophisticated means to incorporate multiple narratives. When two people meet, their storylines intersect. They may walk away with tales that parallel one another remarkable well, but the inevitability of conflicting narratives prevails. This happens all the more frequently at the societal level, when different ethical frameworks are employed to advocate for different policies.

A framework of ethical pluralism aspires to a sufficient level of sophistication. Wight makes the case articulately in his volume. As I have shown, we can read a similar framework in the traditional *Halakhah*, at least with respect to economic matters. However, even if a framework of ethical pluralism did not already exist within Jewish law, the understanding that markets are intrinsically relational would require one, because all relationships contain at least two perspectives. In the following, final chapter, I first attempt to summarize my findings. I then conclude with an application of ethical pluralism to a matter of contemporary economic policy

Telling A Different Economic Story

This work set out to accomplish a number of tasks. Using a broad conceptual approach, I attempted to reveal and apply the economic values embedded within the stories and laws of the Jewish tradition. In the first chapter, I advocated for a distinctly Jewish definition of economics. I challenged the alignment of the contemporary economic understanding of human nature with the Jewish understanding. The notion of a rational maximizer of preferences who inevitably acts to further their own self-interest may appear to resemble the doctrine of the evil inclination. In reality, it leads to a deterministic approach to human nature that stands in direct contrast to a Jewish tradition that values choice; that demands we control our basest greeds and desires. Yet that same anthropology directly fuels key outcomes in contemporary policy discourses, including economic efficiency. In turn, policy arguments that appeal to efficiency as a desirable measure must be approached from a Jewish “ethic of suspicion.” That ethic, of course, helps establish the need for understanding the range of ethical frameworks present in the pluralistic model I proposed in the previous chapter.

The second chapter began by addressing the importance of law. I then turned to describe some of the general principles that establish a Jewish “theology” of economics. Such a “theology” is not an understanding of God, of course, but an articulation of “the general view of the world that is proposed as undergirding the activity of buying, selling, producing, and inventing.”¹ These included divine partnership in the creation of the wealth; the positive view of wealth in the Jewish tradition; the notion of private property and the severity of theft; the importance of limitations to production and consumption. From there, I addressed the topics of money, debt, and interest. The legal

¹ Siegel, “A Jewish View,” 338.

changes on these questions between Torah and rabbinic law suggest that the Torah's initial skepticism of money's ability to store value was lost over time. Restoring this value to a Jewish economic theology requires us to redefine wealth to include measures of value-in-use, even though money can also contribute to wealth. A definition of wealth must incorporate some element of the life-sustaining definition of all economic activity. The importance of agriculture in biblical society further attests to this element of the Jewish economic theology.

The preceding chapter then synthesized the elements of Jewish economic anthropology and theology into a new approach to ethical analysis. A Jewish approach to markets understands that they cannot exist without relying on human interaction and relationship. This creates potential for growth and potential for harm, but it also creates the inevitability of conflicting narrative and conflicting approaches to ethical decision-making. This necessitates a framework that allows for multiple narratives. By utilizing an ethically pluralistic framework, we can achieve a level of sophistication in discussions of economic policy. *Halakhah* already contains within it the tools and precedents for approaching economic decisions from an ethically pluralistic mindset, but this would be required anew regardless by my approach to the economic anthropology and theology of Jewish law and narrative.

Applications

This approach can be applied to Jewish deliberation on contemporary economic decisions—both policy and personal. This concluding section aims to demonstrate how. It can begin by asking questions like these:

1. How does my tradition guide me in thinking about the ethical issues involved in this policy choice, or this personal economic decision?
2. How should I, as a Jew, understand the ethical approaches implicit in the arguments for an against this policy?

These questions rest at the heart of this entire study, because they dare to presume that the Jewish legal and narrative tradition has wisdom to apply to the economic realm of contemporary life. These questions stem from the belief that if one wants to be relevant specifically as a *Jewish* activist in areas of economic policy or advocacy, he must do so from within an explicitly Jewish context. She must bring her authentic knowledge of, and wrestling with, the economic messages, stories, laws, and values embedded in our tradition.

Additionally, applying this ethically pluralistic framework requires a constant recognition that multiple interpretations and approaches will inevitably arise for the vast majority of economic policies. No tradition containing such thick processes of reasoning, of *שקלא וטריא*/give-and-take, could result in any other possibility. This does not mean that all approaches will be equally *valid* according to traditional *Halakhic* methods, nor according to the alterations and interpretations made throughout this work. It does mean, however, that one should always recall that this framework, in its very nature, can result in conflicting determinations of ethical economic policy.

Given the wide range of economic interests for Jewish law, there are literally dozens of topics that could serve as examples. Unfortunately, most of them will remain area for future work. Here, however, I consider the topic of minimum-wage legislation from within the framework. Here in the United States, minimum wage laws represent a

perennial debate within the realm of economic policy at multiple levels of government. The contours of this economic policy question address all three modes of the pluralist framework, making it an example ripe for use to demonstrate the method. Additionally, Levine presents an entire chapter dedicated “to consider the minimum wage concept from the perspective of Halakhah.”² The richness of his argument will thus serve as a useful counterpoint for comparing an ethically pluralistic framework with a traditional *Halakhic* approach.

Minimum Wage Laws in a Classical Halakhic Approach

In *Economic Public Policy and Jewish Law*, Aaron Levine analyzes approaches to

“economic public policy for a society which is bound by Halakhah (Jewish law).”³

Already, this distinguishes his approach fundamentally from the pluralistic model.

Rather than assume that a government or society would be *bound* by the classical *Halakhah*, this model only assumes that Jewish law and narrative might have a voice in the type of economic society that Jews advocate. The model does not assume or advocate any sort of religious coercion or theocracy. It *does* insist that the economic wisdom embedded within the Jewish tradition can bring meaning to the pursuit of an economically just society.

Levine ultimately argues that despite attempting to achieve goals that *Halakhah* embraces, minimum wage laws do not achieve these goals, and in fact create additional consequences that *Halakhah* does *not* embrace.⁴ He arrives at this conclusion through a logical process informed both by *Halakhah* writ large and by his knowledge of the

² Levine, *Economic Public Policy and Jewish Law*, 23

³ Levine, *Economic Public Policy and Jewish Law*, 3

⁴ Levine, *Economic Public Policy and Jewish Law*, 35

contemporary economic discipline. First he recognizes that the antipoverty goal of minimum wage legislation most certainly fits “within... [the] prerogative” of *Halakhah*.⁵ He lauds the effect that increases in the minimum wage would have on “the work-leisure trade-off,” encouraging people to work.⁶ He then applies a *Halakhic* precedent related to profit limits for basic food and commodities.⁷ In stating these facts, Levine establishes the alignment of traditional *Halakhic* goals with his understanding of the goals of minimum wage legislation.

Only from that understanding does he then proceed to state the various objections that *Halakhah* raises to minimum wage laws in light of standard “economic analysis.”⁸ Since the increase in wages causes employers’ demand for labor to fall, the law creates the adverse effect of reducing overall employment.⁹ Such laws ultimately do not reduce poverty, for any number of reasons, and even involve a regressive distributional effect as employers of minimum wage workers pass the difference onto their consumers in the form of higher prices.¹⁰ Instead placing the responsibility for the welfare of the poor upon the entire society through taxes, moreover, minimum wage laws impose the obligation only on employers.¹¹

Despite presenting it as a classical parallel from *Halakhic* texts, Levine argues that the foodstuffs ordinance may actually represent a bad example. He presents a *mahloqet*, a disagreement, about whether the price-fixing legislation in that sector

⁵ Levine, *Economic Public Policy and Jewish Law*, 23

⁶ Levine, *Economic Public Policy and Jewish Law*, 24

⁷ Levine, *Economic Public Policy and Jewish Law*, 24. His note cites Bava Batra 90A (243 n 9) among several sources in the legal codes.

⁸ Levine, *Economic Public Policy and Jewish Law*, 25

⁹ Levine, *Economic Public Policy and Jewish Law*, 25

¹⁰ Levine, *Economic Public Policy and Jewish Law*, 26-27

¹¹ Levine, *Economic Public Policy and Jewish Law*, 27

represents a communal legislative authority to supersede the market price, or an ordinance directed at individual vendors.¹² His argument seems to rely on the latter—a position held by Caro among others.¹³ He does acknowledge, however, that figures as esteemed as Maimonides hold that the price-fixing ability represents a communal legislative authority.¹⁴

Curiously, he argues that the impact on teenage unemployment would benefit the Torah society. Minimum wage laws have a disproportional impact on teenage employment, as employers substitute less-reliable teenage workers for a more-stable adult workforce. In turn, this might serve as an incentive for teens to spend more time in Torah study.¹⁵ Finally, he advocates for the wage-rate subsidy as a more desirable “antipoverty program.”¹⁶

Levine published this chapter 25 years ago. It stands to reason that given the subsequent developments in the economic research, he might rule differently today. In the contemporary debate, some even argue that there exists an economic consensus that the minimum wage *does* reduce poverty.¹⁷ For the sake of this illustration, however, I take his arguments at face value. It matters little whether his economic analysis holds up to current econometric scrutiny. Instead, I am interested in highlighting the ethical approach inherent in his reasoning, and complicating it from our framework of ethical pluralism.

¹² Levine, *Economic Public Policy and Jewish Law*, 28-32

¹³ Levine, *Economic Public Policy and Jewish Law*, 28-29

¹⁴ Levine, *Economic Public Policy and Jewish Law*, 31-32

¹⁵ Levine, *Economic Public Policy and Jewish Law*, 32-34

¹⁶ Levine, *Economic Public Policy and Jewish Law*, 35-36

¹⁷ Konczal, “Economists Agree: Raising the Minimum Wage Reduces Poverty,” https://www.washingtonpost.com/news/wonk/wp/2014/01/04/economists-agree-raising-the-minimum-wage-reduces-poverty/?utm_term=.88a0ab8ecd25 accessed 1/20/18

Minimum Wage Laws in an Ethically Pluralist Model The Consequentialist Mode

Levine uses consequentialist reasoning for most of his arguments. In introducing the topic, he states that the “underlying philosophy has always been to provide the working poor with a ‘living’ wage.”¹⁸ This is a fundamentally consequentialist approach because once that “living wage” is *provided*, the law has achieved its outcome. He then rejects the minimum wage and embraces an alternative antipoverty program primarily because the former “will not achieve” the goals it intends.¹⁹ Moreover, many of his supporting reasons use outcome based analysis: employers reduce demand for labor (outcome) and substitute a teenage workforce for an adult workforce (outcome).

The outcome of reducing poverty, however, should not be understood as the only *outcome* the minimum wage aims to impact. The advocacy campaign “FightFor15,” for instance, states that they advocate a \$15 per hour wage because “it’s time to pay people enough to survive” and “it’s time to pay people what they deserve.”²⁰ The former standard, “enough to survive” might point to a level of subsistence (“survival”) that can be measured as an outcome. Presumably, Levine would read it this way. Yet *this* framework understands survival and sustaining life as a process. Preserving and enabling human sustenance stands as a first principle to be considered in weighing economic policies. The difference between understanding it as an outcome versus as a duty occurs in how and when the principle is applied. Outcomes must be measured at

¹⁸ Levine, *Economic Public Policy and Jewish Law*, 23

¹⁹ Levine, *Economic Public Policy and Jewish Law*, 35

²⁰ <https://fightfor15.org/why-we-strike/>, accessed 1/20/18

the end of something, whereas adherence to a principle can be assessed at any time in the process.

The principle that people “deserve” a minimum wage of \$15 per hour, however, seems to either eschew a consequentialist reading altogether, or present a fundamentally different outcome of interest. According to that argument, it seems that people “deserve” a \$15 hourly wage, regardless of its impact on economic efficiency or outcomes related to poverty. We might interpret the establishment of that wage rate to generate the outcome of fairness, or perhaps dignity, for each person. None are paid less than the intrinsic value of their time—none are paid less than they “deserve.”

If one rejects fairness as a possible outcome of this reading, then one also likely rejects assigning this reasoning to the consequentialist framework at all. Instead, perhaps it relates to a rule or principle of human dignity—that all humans are fundamentally moral equals, perhaps, or that all are created with the same spark of divinity within. Alternately, one might even argue that this reasoning belongs to the realm of virtue ethics. The wage rate helps create conditions which train workers, and only a sufficient rate can help form and teach workers to be virtuous. Accordingly, workers “deserve” a \$15 rate because any less harms the need for instilling in members of society the importance of diligent work.

Thus within the consequentialist mode of a pluralistic framework, one needs to determine which consequences a policy like the minimum wage attempts to generate. Does it attempt only to generate a reduction of poverty, à la Levine? Or might it be attempting to effect fairness or dignity as additional outcomes? In a pluralistic

framework, then, even if one accepts every premise in Levine's argument, a horizontal pluralism generates the question of which outcomes matter.

Rules, Duties, Virtues and the Minimum Wage

Just as any given economic policy might have other outcomes of interest within the *consequentialist* mode, it must be assessed from the ethical framework of rules and duties, and virtue ethics, respectively. With a minimum wage, like any economic policy, it should be obvious that given the interpretations I have posited in this study, I advocate for the application of the life-sustaining principle *as* a principle or duty. Since current minimum wage rates do not, in many cases, adequately allow workers to sustain themselves, the legal minimums do not align with this rule. Such an ethical position does not stipulate what the wage rate should be. It does concede, however, *on principle*, that where the going minimums do not allow people to sustain themselves and their families in a basic way, the legal minimums are too low.

Let us now assume, for the sake of argument, that the life-sustaining principle must be relegated back to being considered an outcome. Many additional economic rules and principles must still apply to the question of minimum wages and minimum standards of living. The communal obligation to provide for its poor by way of leaving forgotten agricultural products, or allowing the poor to glean from the corners of the fields demonstrates by *rule* that the poor must have access to food.²¹ Perhaps a Jewish approach should understand the minimum wage to be a replacement for these processes in a society less dominated by agricultural production. Levine would likely contend that since the minimum wage only applies to employers, it cannot be

²¹ Lev. 19:9-10, Deut. 24:19-22

understood as an extension of such social welfare provisions. On the contrary, given that the contemporary economic understanding treats wealth strictly in monetary terms, a minimum wage represents a minimum access to wealth in the same way that access to gleaning corners would in a culture that grants wealth a wider definition.

Other rules from the textual tradition might broadly apply to the case of minimum wage laws as well. It's rather difficult to "love your neighbor as yourself"²² and continue to offer her a wage that you would consider insulting and inadequate; a wage that does not even allow her to maintain an adequate shelter despite being employed full-time. Alternately, raising the minimum wage might simply be a form of the commandment "to do what is right and good in the sight of God."²³ This list could go on, but the point stands clear: a rule-based ethics could advocate for a higher minimum wage under a wide number of rules within the Jewish legal and narrative tradition.

Alternately, we might consider the effects of the minimum wage on a model that presumes virtue ethics. I have already argued that one reason to increase it, in this case, would be to encourage harder work—an arguably desirable virtue. An increase in the minimum wage might also impact the virtues of wage-payers. It stands to reason that employers and corporations, using a frame of virtue ethics, would need to be *taught* to value the dignity and humanity of their employees. Rather than treat employees as mere inputs to production, requiring a meaningful minimum wage helps train employers to be more virtuous by requiring them to value their employees' time and effort at a level of minimal subsistence. This represents a particularly interesting possibility given the research that raising the minimum wage may *not* impact unemployment in the ways

²² Lev. 19:18

²³ Deut. 6:18

that standard economic analysis would predict.²⁴ Instead of reducing the overall employment rate, it may merely slow job growth and reduce corporate profits. This would even further support the understanding that a minimum wage seeks to influence the development of a virtue amongst employers, because they would be developing a compassion that requires them to value something beyond their bottom line.

These approaches complement the consequentialist approach of Levine and others. Rule-based and virtue ethical understandings cannot determine, for instance, whether \$15 represents an adequate wage. They rely on some level of consequentialist reasoning, grounded in data and observations of the world. Yet neither can the consequentialist approach be considered sufficient for determining how to think about the question of the minimum wage from within the Jewish tradition. Since the tradition itself contains within it reasoning from all three frameworks, the pluralistic model offers an appropriately comprehensive, if complex, method for ethical analysis. It complicates policy-making because it allows both Levine's strictly consequentialist analysis and this pluralistic analysis to be "right." Yet it also provides a more thorough foundation for understanding a particular policy issue with respect to the range of economic concerns present within Jewish textual and narrative tradition.

Conclusions

As a whole, this work established new ways to understand the ethical dimensions of economic policy from within a Jewish framework. I presented ideas and interpretations that challenge and complicate the accepted wisdom in the traditional scholarship of

²⁴ <https://www.bls.gov/opub/mlr/2014/beyond-bls/pdf/determining-the-employment-effect-of-raising-the-minimum-wage.pdf> , accessed 1/20/18

Jewish economic theory. Minimum wage legislation represents a singular example from a wide range of topics that fall under the umbrella of economics. As Jews waded into the realm of public discourse, however, and try to advocate policy positions from within the Jewish tradition, we must not forget to speak the language of economics itself.

I understand my approach to complement the work of thinkers like Cohen or Jacobs.²⁵ Instead of being vulnerable to criticism that their approaches, respectively, do not properly address the *economic* elements of the policies they advocate, they can turn to this analysis for support. Jewish law and stories define economics differently than the contemporary field. Judaism contains within it a fundamentally different approach to human nature in the economic realm than the economic discipline at large. The doctrine of the evil inclination does not give carte blanche to yield concern for ethics to an “invisible hand.” Instead, our tradition proclaims that we have choice in our actions, in the economic realm as in any other.

Judaism contains within it a range of fundamental views of the world that inform and undergird all economic activity. This range includes appreciation for private property and material goods, but pairs that with an “economics of enough”—an insistence that at some stage, the limits upon both production and consumption help to ensure the ethical use of wealth.²⁶ Judaism espouses a suspicion of money’s power to store value over time, despite legal changes which obscure such an approach. Wealth itself must be defined in relation to sustaining life. The study of economics must be defined this way as well in a Jewish system.

²⁵ Cohen, *Justice in the City*; Jacobs, *There Shall Be No Needy*.

²⁶ Tamari, *The Challenge of Wealth*, xxiv; 127-145

These claims about human nature in the economic realm (anthropology) and about the views of the world that support economic activity (theology) form a unique, relational approach to markets. Markets cannot exist outside of relationships in Jewish terms. They always contain moments of meeting—one person to another, one story to the next. A relational approach to markets, in turn, requires a model for ethical deliberation that considers the various avenues through which ethical economic policies can be created and discussed.

Jewish law has wisdom to teach on economic matters. As we continue to advocate for a more just society, we must remember this and incorporate these understandings. We must listen and learn with our ethic of suspicion to the rhetoric around economic policies. What stories are being told about human nature? About our relationship to the world? How do these stories align with our holy narratives and teachings? We must amplify the voices telling economic stories that value sustaining life, and we must speak out against all those whose narratives do the opposite. Economic policy continues to rely on the stories we tell about human nature, about our world, and about the interaction between the two. We must have the audacity to read Jewish economic laws and stories in new ways, and we must bring this daring when we enter the public realm.

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