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## Book Reviews

*With all Your Possessions: Jewish Ethics and Economic Life*, by Meir Tamari (New York: The Free Press, 1987) 332 pages, \$22.50. Reviewed by Gerald Brock (Federal Communication Commission).

Tamari begins his work on Jewish approaches to economic life with a complaint familiar to all who have taught at a Christian college:

*"Although the university (Bar Ilan University in Israel) is an Orthodox Jewish institution, I found myself teaching courses in corporate finance in exactly the same way I would have done in any other university in the world, with the content completely divorced from a Jewish value system. While nobody wanted to detract in any way from the quality of the professional training afforded to the students, nevertheless this divorce from the religious values of the university troubled me and other members of the faculty. After much debate, I created a special course that would attempt to present to the students this value system and its practical application to economics."*

Tamari's book, which is based on that course, approaches economics from an orthodox Jewish perspective, with special emphasis on rabbinic interpretations of the Torah and the Talmud. He explains that the law of Moses was supplemented by an oral law given to Moses at Sinai that formed the basis for later rabbinic interpretations. According to this tradition, the biblical prophets form part of the oral tradition. The oral tradition was finally codified in A.D. 188 by Rabbi Yehudah Hanasi as the six tractates of the Mishnah, but the Mishnah did not contain all of the oral law. The Mishnah itself led to further study and amplification which was codified as the Gemara in fifth century Babylon. The Mishnah and Gemara together form the Talmud which is the basis of later Jewish analysis. Two crucial schools of Talmudic analysis from which Tamari draws extensively are the tosafist school of northern Europe founded by Rashi in the eleventh century and the Sephardi scholars of the Mediterranean world founded in the eleventh century.

The book approaches major issues of economics topically and includes extensive discussions of prices and profits, wages and labor, money and banking,

taxation, welfare, and public goods. Each topic is examined through the authoritative commentary of the major rabbinic scholars, with particular emphasis given to late Medieval and early modern scholars. The scholarly commentary quoted by Tamari is based on the attempt of prominent rabbis to interpret the Talmud for the conditions of their own time. Many of the quoted opinions had the force of law in the self-governing Jewish communities. They consequently have a very practical flavor, as well as the parochial flavor of legal decisions based upon a specific set of facts.

Tamari's form of analysis can be illustrated by his discussion of price controls. He notes two basic sources of authority for price controls: a talmudic injunction that Jewish courts should appoint overseers for prices as well as for weights and measures, and the command in Leviticus 24:14 that "if you sell to your neighbor or buy from your neighbor, you shall not wrong one another." Tamari notes that a primary emphasis of the just price legislation is the prevention of exploitation in commercial transactions. Generally, this exploitation would occur by charging prices very different from the market price, but in some occasions market prices could also be considered exploitative. The word translated as "wrong" or "oppress" (*ona'ah*) is frequently used to refer to the exploitation of status or strength. Tamari views just price concerns as closely related to taking advantage of superior information. He notes that if the price charged is more than 1/6 different than the market price, the transaction can be invalidated on the basis of *ona'ah*. However, no claim of *ona'ah* can be made if full disclosure of the market price and the selling is made: "If the seller says to the purchaser, 'This article which I am selling at 200 is sold in the market at 100' there is no case of *ona'ah*. An exception to the full disclosure rule occurs if the sale was made under conditions of duress. Following the talmudic discussion of a ferryman who charges far above the market price for transporting a fugitive across a river, Rabbi Sirkis of sixteenth or seventeenth century Poland ruled that a sale at excessive prices under duress even with full disclosure could be invalidated by the law of *ona'ah*. The right to invalidate a transaction for a large difference between the transaction price and the

market price extends only long enough to provide an expert evaluation, according to the ruling of Rabbi Meshullam of the tenth or eleventh century Rhineland: "My answer is that since the purchaser has waited for longer than it should have taken him to show it to an expert or to his relatives, the law of *ona'ah* does not apply, even if the overcharge was more than one-sixth of the market price."

After evaluating the various rulings on just price, Tamari summarizes the implications for the present as follows:

*Viewed in the perspective of a modern, sophisticated economy, the law of ona'ah would seem to demand a public policy requiring full disclosure of the market prices of basic commodities. Furthermore, in those cases where a monopolistic situation arises, even a temporary one, legal redress would have to be provided with respect of even those goods not normally considered essential ones, since the community is faced with an economic form of duress.*

Tamari's analysis provides many insights into possible applications of the biblical texts and principles to economic issues. The Jewish community has a tremendous wealth of experience attempting to apply Old Testament teachings to practical situations. Because Christian communities that have seriously attempted to govern themselves by biblical law have frequently placed particular emphasis on Old Testament law (Calvin's Geneva, Puritan New England), the Jewish interpretation of those laws yields significant insights for the Christian understanding of practical economic issues. In some places Tamari's analysis appears to provide an overly positive interpretation of the various rabbinic rulings—as when he interprets the rabbinic decision that one's teacher should always be paid ahead of all other financial obligations only as an indication of the high place of education, without noting that the teachers who stood to benefit from the ruling were the same ones making it. In other cases, the analysis appears to be excessively legalistic—as in his elaborate discussion of the various legal forms by which commercial interest bearing loans can be made without violating the rule against taking interest while maintaining that a violation would occur in the same transaction without a proper legal form. But in general, I recommend the book for its illuminating discussion of a wide range of economic issues as they relate to biblical commandments and practical real world concerns.

## *Economics and Ethics*

by J. Philip Wogaman (Philadelphia: Fortress Press, 1986), 160 pages, \$9.95.

Reviewed by Bruce G. Webb (Gordon College).

J. Philip Wogaman, who is professor of Christian social ethics at Wesley Theological Seminary, Washington, D.C., has a message for economists: economics is more than a set of technical puzzles to be solved along the lines of an engineer seeking feasible solutions to a particularly difficult construction problem. It contains, unavoidably, an ethical dimension, though professional economists often ignore this aspect of the discipline. Of course technical problems are not unimportant (and Wogaman recognizes this), but their solutions should not be seen as ultimate ends in themselves, but only as means to achieve some greater end. For example, we seek to understand the causes of inflation not because ending inflation is itself a worthwhile goal but because we believe that ending inflation would promote other desirable ends (e.g. a more stewardly use of the earth's resources).

Thus the very notion of a 'problem' presupposes some knowledge of why the present state of affairs is undesirable and would be better replaced by some alternative state. This draws us into the realm of 'values' and leads us inexorably to the recognition that we cannot totally divorce economics and ethics. Unless we are willing to advocate acquiring knowledge for its own sake (which is itself a value judgment), we must recognize that the very *raison d'être* for our discipline is the betterment of the human condition. By its very nature, economics is a policy-oriented discipline, undertaken for the purpose of guiding us in this task of human betterment. But what do we mean by human betterment? Technical economics alone cannot answer this question so we are bound to move beyond the narrow confines of our discipline to the field of (Christian) ethics.

One of the practical implications of this is that economic policy debates should not be closed to all those except the technically trained economists. "... economics is too important to the human enterprise to leave in the hands of economists alone." As Wogaman reminds us, "... economic choices are not usually between the stark alternatives of good and evil. More often they force us to decide among possibilities, each of which is relatively good." The short run tradeoff between inflation and unemployment is just one obvious example of this. Of course