

Jewish Business Ethics 101

Biblical and rabbinic sources emphasize regulation to prevent the weak from being exploited by the strong.

BY MJL

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Jewish tradition does not mandate any particular way of organizing economic life. The biblical and rabbinic sources of Jewish law and ethics do insist, however, that relations between buyers and sellers, employers and employees, and borrowers and lenders should be regulated to prevent the weak from being exploited by the strong, and the uninformed falling prey to the well-informed. The Torah itself teaches, for example, “You shall not falsify measures of length, weight, or volume.... You must pay [a laborer] his wages on the same day, before the sun sets.... You shall not deduct interest from loans to your countrymen....”

Themes and Theology

The realm of work and commerce is not inherently evil or profane in the eyes of classical Judaism. It is, like other types of human activity, a realm in which sanctity may be attained if one’s actions reflect no impure motives and demonstrate concern—though not necessarily an exaggerated concern—for the welfare of others. As one rabbinic sage taught, “Let the property of others be as precious in your eyes as your own.” Competition and acquisitiveness are not in and of themselves disgraceful, but one must take care that no unfair advantage is taken of others who may be economically less powerful or simply less savvy. Work has inherent value for those who perform it, not the least of which is the dignity that attaches to earning one’s living rather than being dependent on assistance.

Business Ethics in Practice

Commerce is to be conducted with honesty and full disclosure of relevant information. Transactions at unreasonably high or low prices, unless they meet a particularly stringent standard of disclosure, can be cancelled by the party that has incurred damages. Accurate weights and measures are another example of a ban on deceptive practices. In disputes between employers and employees, adherence to local custom is enforceable unless other arrangements were clearly stipulated in advance, and arbitrators must balance the rights of workers against the interests of management. A variety of more general ethical principles are brought to bear in business practices as well: one should remain above suspicion and even go beyond the letter of the law. Doing so serves to “sanctify God’s name” in the world by making Jews paragons of ethical behavior.

Contemporary Issues

Efforts to apply the principles of Jewish commercial and labor law and Jewish ethics to the complex issues faced by the post-industrial global economy have naturally yielded differences of opinion about which principles take precedence in which situations. Jewish law can be said to oppose insider trading on a number of grounds. Intellectual property rights are defended in Jewish law, making it an offense in Jewish as well as civil law to copy published literary works or recorded music or video content, or to replicate computer software beyond the provisions of the appropriate license. Such controversial practices as the sale of firearms and the subtle manipulations of advertising have drawn criticism based on Jewish concepts and values.