



### 1. “Capitalism and the Jews” - Milton Friedman

...two traditions were at work in Israel: an ancient one, going back nearly two thousand years, of finding ways around governmental restrictions; a modern one, going back a century, of belief in “democratic socialism” and “central planning.” Fortunately for Israel, the first tradition has proved far more potent than the second.

### 2. Rabbi Aharon Lichtenstein, “The Responsibilities of the Recipient of Charity”

The degree of recognition depends in no small measure on the idea of free will. This is why the halakhist will be inclined to adopt an ambivalent attitude towards the struggle over welfare budgets across the Western world today, between conservative politicians who are “stingy” and social workers who are “generous.” On the one hand, Halakha’s excessive valuation of *chesed* and of society’s responsibility toward the needy brings him to support the expansion of aid. But on the other hand, the more that this demand is based on the argument that aid must be expanded because psycho-social circumstances fetter the needy and prevent them from joining the work force, it clashes with the emphasis that Judaism places upon free will.

### 3. Eric Cohen: The Spirit of Jewish Conservatism

In his 1998 Hayek lecture, Jonathan Sacks, the former chief rabbi of the United Kingdom, took up the challenge of articulating such a Jewish view. Why, he asked, is there so great an affinity between Jewish ideas and practices and free-market ideas and practices? His answer includes such touchstones as biblical respect for the idea of property rights; biblical appreciation for productive labor; the biblical understanding of man as a creative being; the rabbinic belief that parents must teach their children a useful trade; and the affirmative Jewish attitude toward wealth. In general, Sacks concludes, the talmudic rabbis “favored the free market”—a point reinforced by the example of how they treated competition among scholars and teachers: An established teacher could not object to a rival setting up in competition. The reason they gave for this ruling illustrates the general approach. They said simply, “Jealousy among scholars increases wisdom.” Competition, even in the most elevated realm of education, promotes human excellence. This affinity between traditional Judaism and market economics may come as a surprise to those who believe that Judaism is most compatible with some form of socialism....

### 4. Rabbi Gil Student

However, as Yuval Levin points out in his response to Cohen, Judaism is consistent with capitalism but does not necessarily advocate for it. Yes, the Torah protects property rights and advocates productive labor, but there is more to capitalism than earning a salary and keeping it. What role, then, can Judaism play in economic ideology? Levin seems to think that Judaism has little to teach the world about capitalism. I suggest that while Judaism may not advocate a specific economic theory that developed a dozen centuries after the close of the Talmud, it can teach the world how to properly implement it. This is a particularly timely task because recent events emphasize how desperately capitalism needs direction. It is one thing to wax passionately about free markets in theory. Getting down to the nitty-gritty implementation is quite another. Free markets require regulation to prevent abuse, such as monopolies and corruption....Jews should be morally invested in the implementation of meaningful economic regulation that requires proper behavior of all parties. Capitalism can only survive if it continues to inspire hope. To do this effectively, it must adhere to basic rules of fairness and right and wrong.

5. Zionist thinkers developed **utopian visions**, including economic views. Part of this, for many, was Yovel. See <https://orot.ac.il/sites/default/files/8-6.pdf>

### 6. Vayikra 25

**ויקרא כה:** “וְקִדַּשְׁתֶּם אֶת שָׁנַת הַחֲמִשִּׁים שָׁנָה, וְקִרְאתֶם דְּרוֹר בְּאַרְץ לְכָל יִשְׂרָאֵל; יוֹבֵל הוּא תְּהִיָּה לָכֶם, וּשְׁבַתֶּם אִישׁ אֶל אַחֲזָתוֹ וְאִישׁ אֶל מִשְׁפַּחְתּוֹ תֵּשְׁבוּ... וְהָאָרֶץ לֹא תִמָּכַר לְצִמְתָּהּ, כִּי לִי הָאָרֶץ, כִּי גֵרִים וְתוֹשְׁבִים אַתֶּם עִמָּדִי

And ye shall hallow the fiftieth year, and proclaim liberty throughout the land unto all the inhabitants thereof; it shall be a jubilee unto you; and ye shall return every man unto his possession, and ye shall return every man unto his family... The land shall not be sold for ever: for the land is mine; for ye are strangers and sojourners with me...

7. **Theodor Herzl in Altneuland** (English: "The Old New Land"), published 1902, trying to forecast what a modern Jewish state should look like. The citation is from book 3, part 1, page 67; available online: <http://www.zionism-israel.com/an/altneuland67.html>

"The jubilee year," explained David, "is not a new but an ancient institution set up by our Teacher Moses. After seven times seven years, that is to say, **in the fiftieth year**, land which had been sold reverted back to its original owner without compensation. We, indeed, arrange it a bit differently. **The land now reverts back to the New Society**. Moses, in his day, wished to distribute the land so as to ensure the ends of social justice. You will see that our methods serve the purpose none the less. The increases in land values accrue not to the individual owner, but to the public." "

## 8. The Jubilee: The Biblical Plan for Expanded Ownership by Ze'ev Jabotinsky

### A. Introduction: The Biblical Economic Plan vs. Socialism

...Socialism is an attempt to prevent social ills: it is a plan for a social order which by its very existence will eliminate inequality in capital ownership once and for all. ...Socialism eliminates this problem by expropriating the means of mass production from private ownership once and for all. The Biblical plan has nothing in common with this prophylactic scheme, which prevents from the beginning any possibility of social inequality, exploitation, and economic competition. The Bible seeks to preserve economic liberty, but to reform it by certain limitations and antidotes.

### B. The Jubilee Principle

...The main difference between the biblical revolution and socialist revolutions is that the latter are supposed to occur once and for all, while the jubilee revolution should occur at regular intervals. According to plans based on the socialist ideal, a just distribution of land (and measures of social justice in general) will be set one day and admit no further changes. According to the Biblical plan, economic life will preserve after the jubilee full liberty for further changes. People will continue to make projects, to scheme, to struggle and compete; some will become rich, some will become poor; life will keep the character of an arena in which it is possible to lose or win, show initiative and fail or succeed.

This economic liberty would have only two limitations. The first limitation (or rather, an entire system of limitations) functions continuously: work is prohibited one day a week; one must leave the corner of his field and the gleanings of his vineyard for the poor; the tithe will be paid, being "holy unto the Lord". Translated into modern terminology, this means limiting and regulating the working hours, and generally all legislation for employee protection, all social security and progressive taxing. The other limitation, or rather antidote, to economic liberalism is the jubilee. It is as if a huge axe sweeps once in a while like a storm over the forest of humanity, and cuts down those treetops which have grown above the average; debts are cancelled, the impoverished regains his property, the slave goes free. Balance is restored, and the economic game starts over again, until the next upheaval.

### C. Jubilee vs. Socialist Economics

One may ask whether the jubilee system is better or worse than socialism; but let us shelf this question for the moment. At present, the important thing is to establish that the jubilee is the very antithesis of socialism. The concept of repeated economic upheavals is an attempt to correct the ills of economic liberalism, not to forestall them. Quite on the contrary, this concept is clearly based on the conviction that free economic competition is one of the most powerful motivations in life. Let people struggle, lose and win. It is only necessary to cushion the arena with soft grass, so that whoever falls will not be too painfully injured....

### D. Implementation of the Jubilee Principle

If I were a king, I would reform my kingdom on the basis of the jubilee concept rather than socialism. Of course, first I would have had to find wise counsellors and charge them with preparing a detailed plan on the basis of the Biblical indication. The ancient, inflexible, childish formulation cannot be carried out in our complex life...I would assemble wise men and charge them with developing the Biblical indication and translating it into modern terminology...

### E. Towards a Capitalist Ideology

But I am no king. On the contrary, I am a child of that class whose very name has become an object of scorn: the bourgeoisie... I believe not only that the capitalist system is inherently stable, but that it contains the seeds of a certain social ideal: ideal in its usual connotation, i.e. a vision worth dreaming of and fighting for.... nevertheless, I believe that a new Marx will arrive and write three volumes on its ideology. And maybe they will not be called *Das Kapital* but "the Jubilee"....

## 9. Land division and Jubilee in practice - the Jewish perspective by *Erel Segal* [Partial list – see there for full]

### First part: Chronological Survey...

1. ...In contrast to the Biblical law, Herzl suggests that land will not be divided to individuals, but rather owned by a public body called "the new society". Herzl also emphasized, that the non-Jewish citizens of the Jewish state will have equal rights in everything, including land.
2. **Ze'ev Jabotinsky** ...Jabotinsky viewed economy as a huge game of monopoly: The players can buy and sell assets, some get rich and some get poor, but once in 50 years, the game is over. Just like in the game, the "rich" willfully return their "property" to the game box in order to start a new game, so it should be in economy: the rich should understand that it's only a game, and return all their wealth to the public once in 50 years.
3. **Rav Dov Rozen** (1914-1989; a Jewish Orthodox Rabbi, teacher and writer, member of a socialist religious party, and a senior official in Israeli administration) suggested ("The Jubilee Teaching", 1954, available online in Hebrew: [http://tora.us.fm/tryg/mamr/yovl\\_rozn.html](http://tora.us.fm/tryg/mamr/yovl_rozn.html)) a 100% inheritance tax on all kinds of property. He claimed that in this way, every citizen fulfils the commandment of Jubilee, not once in 50 years, but once in a lifetime - when he dies. He claimed that all property belongs to society, and leased to the citizens for a lifetime, and so when a person dies, he must return all property to the society. In Israel, inheritance tax (of less than 100%) was levied since 1950, but was abolished in 1981...

4. **The Knesset** (Israel's parliament) accepted, in 1960, several laws related to land. Most important are the **Basic Law: Israel Lands**, which states that all the lands owned by the state of Israel (about 93% of all lands in Israel) will remain in state ownership, and will never be sold or given; and the **Israel Land Administration Law**, which sets the rules of operation for the Israel Land Administration. The ILA is responsible for leasing the state-owned lands to citizens, usually for periods of 49 years.

The Israel Land Administration is obviously inspired by Herzl's "new society". However, in Altneuland, all land reverts to the new society in the same year - the Jubilee year - like in the Biblical law; and in Israel, land reverts to the ILA 49 years after it is leased, which may be different for each plot. ..

5. **Dr. Yitzhaq Hayut-Man** endorsed ("The Jubilee Foundation", 1998) Jabotinsky's suggestion, but in contrast to Ben Dov, he claimed that the distribution should also include Palestinian refugees, and other groups in the world who see themselves as related to the land of Israel in some way. In his view, all these groups can be seen as descendants of the 10 lost Israelite tribes. ...

6. **Yoav Rubin** suggests ("Seventh year, Jubilee, and inheritance tax", ibid. 257-273) an inheritance tax - similarly to Dov Rozen's suggestion above (3), although he does not say it should be 100% tax. He claims that the revenues from such taxes should be used to empower the poor using two means - free education and free housing.

7. **Rav Yaakov Ariel** claims ("Bible of the economy and economy of the Bible", ibid. 241-256) that the Jubilee should apply for all "means of production" (he does not explain exactly).

8. **Avraham Sabag** claims ("Laws for Public Assets", 2006; available online in Hebrew: <http://he.manhigut.org/economy/2227>), that the Biblical land division laws should be implied to all state-owned companies. He suggests [Voucher Privatization](#) - distributing equal shares of ownership to all citizens for free. Every citizen will be able to trade his share in the stock market, but once in a Jubilee, all shares will be re-distributed evenly...

#### 11. **Rabbi Elazar Melamed**, posted 03/07/2015 [YONATON BEHAR](#): The Question of Natural Gas

**Q:** Can we learn from the Torah what should be the fair arrangement – both morally and economically – in regards to the natural gas issue which has recently been the focus of public debate?...

**A:** ...Unlike the Communist system, the Torah does not command us to divide profits equally between successful workers, and those who are not. On the contrary, the Torah secures property rights of the individual over his possessions, based on the position that a person is entitled to benefit from the fruits of his own efforts, talents, and God's blessings. ...

Nevertheless, there is an important element of equality in the Torah expressed by the *mitzvah* of *Yovel* (the Jubilee Year)...

### **The Integration of the Two Ideas**

It can be said that, indeed, both ideas – equality on the one hand, and free will and free enterprise on the other – ought to receive mutual expression. On the one hand, all human beings were created in the image of God and are equal before the law and before all else, lands, which are the means of production, should be divided equally. On the other hand, the most important expression of God's image in man is his ability to choose and initiate. If he works hard and utilizes his talents – he will profit; if he is lazy – he will lose. And on a spiritual level: If one fulfills the Torah and *mitzvot* – he will be blessed in the present world, and receive good reward in the Hereafter. But if he chooses to sin – he will not see blessing in this world, and will be punished in the next.

### **The Significance of Yovel in Our Times**

In the past, ninety percent of people made their living from agriculture. Land was the main means of production, and as a result, dividing it equally formed a basis of equality for everyone. Today, land is no longer the primary means of production, and earning a livelihood is dependent on many factors. Nevertheless, we should seemingly learn from the *mitzvah* of *Yovel* two foundations: First, just as farmland was divided evenly among all, similarly, we should divide other natural resources which God created equally, including land for construction, water, oil, gas, beaches, radio waves, air, and the sun. Second, just as the Torah commanded dividing the means of production equally, likewise, we should attempt to provide an education for all young people that will procure for them, as best as possible, an equal opportunity to earn a living from their talents and diligence. With effective planning, these two elements can be mutually integrated by diverting the money received from the natural resources towards professional education programs for all....

### **A Proposal of Yovel for Capitalists**

Perhaps a further suggestion could be made that, just as in the *Yovel* the fields returned to their original owners and slaves were released to their homes, in a similar fashion, Torah scholars should possibly conduct an in-depth examination of the structure of modern economy, and consider whether it is appropriate that in the *Yovel* year, a certain percentage of the accumulated wealth be divided equally. For in addition to laws designed to prevent monopolies which harm free competition and stifle industry and trade, we should also avoid creating overly large gaps between the extremely rich and the remainder of the population. This idea also includes a measure of justice, because well-run public organization allows the major capitalists to become wealthy, and therefore, maybe it is fitting that once in fifty years, a portion of their accumulated wealth be once again distributed for education and public needs. This will not affect their quality of life – they will still have hundreds of millions of dollars, but it will grant a more important status to the value of equality, without harming the individual responsibility of every person to earn a living.

## 10. Erel Segel, Second part: Critical Discussion

- What is divided? Is it only land, or also other natural resources, or even all kinds of wealth?
- How much is divided? What is the best way to ensure an equal division?
- How is it divided? Is it an actual division of the property, or a division of shares in the stock market, or a division of the rent only, or maybe it should all be owned by the state? Who should get a share? ...

### A. What to divide?

The suggestions can generally be divided into three approaches:

1. The minimalist approach, represented by Herzl, Tokatly and Dvira, is that the Jubilee laws should apply to land only - like in the Biblical commandment.
2. A medium approach is that land is only an example of a natural or a public resource. Therefore, the Jubilee laws should apply to natural resources or public companies as well. The important natural resources in Israel are water, dead sea minerals and natural gas. The important public companies are Israel's electricity company, railway, postal office, stock market, and some banks.
3. The maximalist approach, represented by Jabotinsky, Rozen and Ben Dov, is that land is only an example of a capital, so in our times, all kinds of capital should be divided.

The maximalist approach is based upon the assumption, that land had a special status in Biblical law, only because the economy was agricultural, and therefore in our times, when agriculture is only about 2% of the economy, all types of capital should be treated like land (see the citation of Ben Dov above). IMO there are several reasons why this is incorrect:

- Even in an agricultural economy, there are other important types of wealth, such as livestock, gold and silver. The Jubilee laws clearly do not apply to them. Also, regarding houses, the Bible explicitly mentions that the Jubilee law applies to them only if they are in a non-urban area. But "A dwelling house in a walled city... shall not go out in the Jubilee" (Leviticus 25:29-30). So, the Bible allows free trade in all kinds of capital except land, in contrast to the maximalist approach.
- Even in a non-agricultural economy, land has a great value. In Israel, in some places, the price of land may be up to 90% of the price of housing. ...

Medium approaches - those that claim that natural resources such as gas and minerals should also be divided equally, since they too were not created by human labour.

However, land is much more than just a natural resource. It is the site where all beings takes place. ... Thus, the unique property of land as a "site" explains why the Jubilee should apply to land only, and supports the minimalist approach.

### B. How much to divide?

... However, the Talmud sages (... Bava Batra 122) interpreted this passage differently: "It was divided by money... money was paid by those who had shares near to Jerusalem to those who took their shares far from Jerusalem (nearness to Jerusalem being preferable, as it was nearer to the Temple and farther from the land of the natives, therefore in less danger than if near to them)... And on this point the following Tana'im differ. R. Eliezer said that they were rewarded with money, and R. Joshua maintains that this reward was in land, as, e.g., compared with where a saah can be sown nearer to Jerusalem, they took five saahs". According to this interpretation, the division was based upon the land value, which was determined by two factors: its agricultural value (the number of "saah"s - 20 litres - that can be sown there), and its distance from Jerusalem.

It is obvious that at least one of these factors - the number of saahs - is not relevant today for estimating the land value. It is also obvious that there are many other factors that are relevant today, which were not relevant in the past, for example, the existence of crude oil in the land. These changes raise a question: what happens if, 50 years after the initial division of land, the land value changes, for example, because of changes in the economy or culture? There are two possible answers, according to which principle we view as the primary principle of the Jubilee:

If equality is more important, then we should re-divide the lands in the Jubilee year, according to their current value. This will force many people to leave their lands or give some of it to others. A similar result may be caused by land-value tax, for example, if a person with a low income leases a cheap land, and then the land value rises and he cannot afford the updated tax.

If stability is more important, then we should let each one keep his land, even if its value changes.

There is some evidence that the original Biblical law preferred the second option - stability:...

### C. How to divide?

In the times of Yehoshua Bin Nun, all Israelites came to Knaan together, so it was possible to divide all land equally among them. Today, people come gradually, so the division process is more complex. Here there are four approaches:

1. The direct approach (endorsed by Jabotinsky, Ben Dov, and Tokatly) is to actually divide the land (or other types of property) among all citizens...
2. The shares approach is to divide shares, just like in the stock market....
3. The rent approach is to divide only the monetary value. This was suggested by Dvira with regard to land: sell all lands once in 50 years, and divide all revenues evenly among all citizens....
4. The centralist approach is that the state should own all land (or other property), and use it to the benefit of the citizens. This approach was first endorsed by Herzl. He admitted that this approach diverts from the Biblical law: " ...

In my opinion, the centralist approach is not " a bit different " from the Biblical law, as Herzl said; it is entirely opposite to the original intent. There are two main reasons:

- Spiritually : The Bible says that all land belongs to The Lord, while the centralist approach replaces The Lord with a man-made state. This is similar to idolatry.
- Socially : The Bible endorses equality in the division of ownership, while the centralist approach gives all ownership to a small group of government officers. The citizens own no land, no shares, no rent - the only remnant of their ownership is the right to vote in the elections, once in four years, in an attempt to influence the identity of those officers. This is similar to serfdom.
- Practically : The Biblical law splits the power among many people, while the centralist approach leads to concentration of power, and the power corrupts. This problem was demonstrated recently in the Holyland-park affair (available online in Deutsch Wikipedia, "Holyland-Affäre") , a large plot in Jerusalem that was given to private entrepreneurs in very good terms. There is some evidence that very senior officials, including a former PM of Israel and a former mayor of Jerusalem, were involved in bribery. Some senior officials in the tax authority were also involved in lowering the evaluation of the land value from 80 to 12 million USD. Moreover: even in the unlikely case, when all senior officers are totally honest, it is impractical that a small group of people will manage so many plots in an efficient way. This is a loophole that invites land robbery.

...4. In my opinion, the Biblical criteria for land rights is the national service. This is hinted in several verses related to land laws:

- [Proves from Levi, 2 ½ Tribes..]

#### **11. Rabbi Jonathan Sacks 'We Are What We Do Not Own' | Behar-Bechukotai, Covenant & Conversation 5778**

Economic inequality leads to inequality of power, and the result is often the abuse of the weak by the strong. This is a constant refrain of the prophets. Amos speaks of those who “sell the innocent for silver, and the needy for a pair of shoes; who trample on the heads of the poor as on the dust of the ground, and deny justice to the oppressed”(Amos 2:6-7). Isaiah cries, “Woe to those who make unjust laws and issue oppressive decrees ... making widows their prey and robbing the fatherless” (Is. 10:1-2). Micah inveighs against people who “covet fields and seize them, houses and take them away; they oppress householder and house, people and their inheritance” (Micah 2:1-2).

This is a problem for almost every society and age. What makes the Torah distinctive is that it refuses a one-dimensional answer to what is a genuinely complex problem. Equality is a value, but so too is freedom. Communism and socialism have been tried and failed; but the free market generates its discontents also. One principle that can be inferred from Tanakh is that the market was made to serve human beings; human beings were not made to serve the market. The fundamental question is therefore: what best serves humanity under the sovereignty of God?

A careful reading of Behar reveals that the Torah’s approach to this question operates at three completely different levels. One is political, a second is psychological, and the third is theological.

The first level is simple. Behar proposes two cycles of redistribution, Shemittah and Yovel, the seventh and fiftieth year. The intent here is to restore a level playing field through a combination of debt remission, liberation of slaves, and the return of ancestral land to its original owners. This is a way of redressing accumulated inequalities without constant intervention in the economy. That is the political dimension.

The psychological dimension is what the French revolutionaries called fraternity. Ten times the laws in Behar use the word “brother.” “Do not wrong your brother...That, in no small measure, is why from the beginning of the Jewish story to today, Jews have thought of themselves as a single family...

Finally, though, and most profoundly comes the theological dimension. The Torah is making a radical point. There is no such thing as absolute ownership. There is to be no freehold in the land of Israel because the land belongs ultimately to God. Nor may an Israelite own another Israelite because we all belong to God, and have done so ever since He brought our ancestors out of slavery in Egypt.