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## Creating a Company Code of Ethics: Using the Bible as a Guide

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### Abstract

The Bible has had a profound effect on billions of people, both believers and non-believers. This paper shows how it can be used to develop a code of ethics for a firm. Some ethical principles that can be derived from the Bible include the importance of caring for the stranger, the poor, employees, the environment, and animals. In addition, a firm interested in following the values of the Bible will not give bad advice to others, will be extremely honest, will not attempt to hurt competitors, and will behave in an aboveboard manner. Finally, its code of ethics will recognize the importance of going beyond the requirements of the law.

Every organization has a purpose, a reason for being, described in its mission statement. It is becoming increasingly important for organizations to also have a code of ethics - a set of rules that define what behaviors are acceptable and those that are unacceptable - since shareholders, clients, and employees prefer dealing with establishments that uphold high levels of ethical and moral standards of practice. As the Enron, Arthur Andersen, and Global Crossing debacles demonstrated, firms that wish to succeed in the long run had better take a long hard look at their ethics. The Bible has had a profound effect on a countless number of people. To the believer, it is the word of God and provides a blueprint for how individuals should lead their lives. The religion of approximately two-thirds of humanity has its roots in the Hebrew Bible. Even non-believers recognize the Bible as one of the most important works of literature and a valuable tool for teaching timeless lessons to humankind. The Bible is the most popular book of all time - it is estimated that as many as 6 billion copies have been sold - and is the source of

many metaphors and scenarios that can be very helpful to those interested in developing a belief system to guide their organization. The Hebrew Bible, particularly the Pentateuch (i.e., the Torah), is replete with precepts that deal with business ethics and can therefore be used as a starting point for those interested in developing higher moral standards for business. This paper will describe some principles that can be derived from the Hebrew Bible. Although the Bible was given at a time when individuals mainly lived in an agricultural society, many of its ideas can be easily extended to a modern industrial society. The Talmud, which is the compilation of Jewish oral law, expounds on the Hebrew Bible and consists of the Mishna and Gemara. The Mishna, originally an ancient oral tradition, was compiled and edited in written form about 1800 years ago by Rabbi Judah the Nasi (President of the Sanhedrin). The Gemara, which was completed about 1500 years ago, consists mainly of commentaries on the Mishna. There were two academies, in Israel and Babylon, independently studying the Mishna. Thus, there are two versions of the Talmud: the Jerusalem Talmud, a product of the academies in Israel, and the Babylonian Talmud, a product of the academies in Babylon. The Babylonian Talmud is considerably larger than that of the Jerusalem Talmud, and it is more authoritative. The Talmud is primarily concerned with halacha (Jewish law) but also provides a detailed record of the beliefs of the Jewish people, their philosophy, traditions, culture, and folklore, i.e., the aggadah (homiletics). The Midrash, a separate scripture that records the views of the Talmudic sages, is mainly devoted to the exposition of Biblical verses but is also rich in philosophy, folklore, and legends. Tamari (undated) uses the Bible to help develop what he refers to as a "Jewish business strategy." This paper seeks to use the Bible to develop a code of ethics that can be used by any firm. There are twelve important principles derived from the Bible that can be used to establish the moral justification of a corporate code of ethics.

Principle 1: Caring for the Stranger "You shall not maltreat or oppress a stranger, for you were strangers in the land of Egypt." (Exodus 22:20)

"Do not oppress a stranger; you know the feelings of the stranger, for you were strangers in the land of Egypt." (Exodus 23:9)

"When a stranger dwells among in your land, you are not to maltreat him; the stranger who dwells with you shall be like a native among you; you shall love him like yourself." (Leviticus 19:34)

"One law and one ordinance shall be both for you and for the stranger who sojourns with you." (Numbers 15: 16)

"You shall love the stranger for you were strangers in the land of Egypt." (Deuteronomy 10:19)

"Thus said the Lord: Perform justice and righteousness and rescue the robbed from the hand of the oppressor; and to a stranger, orphan, and widow, do not maltreat, do not cheat; and do not shed innocent blood in this place." (Jeremiah 22: 3)

"Do not oppress the widow, the orphan, the stranger, or the poor, and do not think in your hearts of doing evil to another." (Zechariah 7:10)

"Have we not all one Father? Has not one G-d created us?" (Malachi 2: 10)

"God protects strangers, the orphan and the widow He upholds, but the way of the wicked He makes tortuous." (Psalms 146: 9)

The principle of not maltreating, taunting, or oppressing the stranger is mentioned 36 different times in the Pentateuch (Babylonian Talmud, Bava Metzia 59b) and many times in the Prophets and Writings. There is a natural tendency for individuals to taunt those that are different. Diversity is a value that an organization must cherish and employees who disrespect those that are different should not be tolerated. Moreover, firms have a responsibility to help individuals of different backgrounds, race, or religion and "strengthen" them by providing them with meaningful work. Discrimination on the basis of sex, race, religion, background, physical handicaps, etc. is wrong. It is more than just immoral, Friedman and Amoo (2002) assert that workforce diversity is necessary if a firm wants fresh ideas, solid growth, a positive image, and an enhanced ability to hire quality employees.

Principle 2: Helping the Needy and the Powerless "When you harvest the harvest of your land, you shall not complete your reaping to the corner of your field, and the gleanings of your harvest you are not to gather. You shall not glean your vineyard; and the fallen fruit of your vineyard you are not to gather; for the poor and the stranger you are to leave them." (Leviticus 19: 9-10)

"If your brother becomes impoverished and his hand falters beside you, you shall strengthen him, whether he is a stranger or a native, so that he can live with you." (Leviticus 25: 35)

"You shall tithe the entire yield of your sowing that is brought from

the field, year after year. Then the Levite, who has no portion or inheritance with you, and the stranger, the orphan, and the widow, who are within your gates shall eat and be satisfied, so that the Lord your God will bless you in all the enterprises you undertake." (Deuteronomy 14: 22, 29)

"...you shall not harden your heart or shut your hand from your needy brother. But you shall surely open your hand to him..." (Deuteronomy 15: 7-8) "When you reap the harvest in your field and overlook a sheaf in the field, do not turn back to get it; for the stranger, the orphan, and the widow it shall be - in order that the Lord your God may bless you in all your undertakings." (Deuteronomy 24: 19) "When you beat down the fruit of your olive trees, do not go over them again; for the stranger, the orphan, and the widow it shall be. When you gather the grapes of your vineyard, do not pick it over again; for the stranger, the orphan, and the widow it shall be." (Deuteronomy 24: 20-21) "Behold, this was the sin of your sister Sodom: She and her daughters had pride, plenty of bread, and untroubled tranquility; yet she did not strengthen the hand of the poor and the needy." (Ezekiel 16: 49) "The people of the land have perpetrated fraud and committed robbery; they have wronged the poor and needy and defrauded the stranger without redress...I have therefore poured out My wrath over them and consumed them with My fire of fury." (Ezekiel 22: 29, 31)

"Because I rescued the poor that cried, and an orphan, and him who had no one to help him. The blessings of the forlorn came upon me, and I caused the widow's heart to sing with joy." (Job 29: 12-13)

"She [the accomplished woman] stretches out her palm to the poor; her hands are extended to the needy." (Proverbs 31: 20)

"Do justice to the needy and the orphan; deal righteously with the poor and the impoverished; rescue the needy and the destitute and save them from the hand of the wicked." (Psalms 82:3)

In Biblical times, farms were the equivalent of big business. The Bible has numerous laws describing what farmers must do to help the poor. For instance, the corners of the field were not harvested by the owner but were left for the poor. Individual stalks that fell from the sickle during the harvest had to be left for the poor. In addition, if a bundle of grain was accidentally left in the field during the harvest, it too had to be left for the indigent. In a similar vein, the farmer was not permitted to pick all the fruits off the vine or tree and leave it bare. He was obligated to leave the gleanings of the vine and the olive tree for the poor. Organizations that wish to follow the spirit of these laws may recognize that there is a moral obligation to help the poor by setting aside a portion of a company's profits for the

needy. In fact, according to Maimonides (Mishna Torah, Laws of Gifts to the Poor, 10:7), the highest form of charity is providing one with the ability to earn a living so that the individual does not become poor. He derives this from the verse in Leviticus (25: 35) that talks about "strengthening" the destitute individual. This may be accomplished by providing a gift or loan enabling one to start a business, taking the destitute person in as a partner, or helping the individual find employment. Ideally, an individual or corporation should "strengthen" those in economic jeopardy by providing individuals with training and employment. If a firm finds that it has to close down a plant because of economic conditions, management should do everything possible to find employment for the affected employees in other parts of the company.

In ancient times, the powerless were the orphans, widows, and strangers. Today, a firm has to help the poor, the elderly, and the handicapped. Employing the unfortunates of society is precisely what the Bible demands of humankind. Indeed, there is a special law in the Bible regarding the elderly. The verse (Leviticus 19: 32) states: "In the presence of an aged person you should rise, and show honor to the old." This means that elderly people have to be treated with dignity and this includes in the workplace. Individuals were not only obligated to help the destitute, they also had to give numerous gifts and tithes for the priests and Levites (see Numbers 18: 8-32). In ancient times, the Levites and priests were the teachers (Leviticus 10: 11); helping them resulted in the spread of knowledge and morality. Today, this would be comparable to helping religious organizations and educational institutions.

Principle 3: Fair Treatment of One's Employees "You shall not cheat your fellow and you shall not rob; the wages of a worker shall not remain with you overnight until morning." (Leviticus 19: 13)

"You shall not rule over him [the servant] through rigorous labor - you shall fear your God." (Leviticus 25: 43)

"Do not send him [the servant] away empty-handed. You shall give him a severance gift from your flocks, from your threshing floor, and from your wine cellar..." (Deuteronomy 15: 13 -14)

"When you come [as a worker] into your neighbor's vineyard, you may eat as many grapes as is your desire, to your fill, but you may not put any into a receptacle. When you come into

your neighbor's standing corn, you may pluck ears with your hand, but you should not lift a sickle on your neighbor's standing corn." (Deuteronomy 23: 25-26)

"You shall not cheat a needy or destitute laborer, whether from your brethren or a stranger who is in your land or within your gates. On the same day you shall pay his wages; the sun shall not set upon him, for he is needy and his life depends on it; let him not call out against you to God, and there be a sin upon you." (Deuteronomy 24: 14-15)

"He [King Solomon] sent them to Lebanon, ten thousand a month in shifts; for one month they would be in Lebanon and two months at home." (I Kings 5: 28)

Tamari (1996, pp. 87-91) makes it clear that treating employees well is an integral part of Jewish law. The Bible states over and over that one should not mistreat the orphan, widow, or stranger. Tamari makes the point that "employees stand in relationship to their superiors in exactly the same social and psychological status as the widow and orphan." Even slaves have rights in the Bible. The Bible (Leviticus 25: 43) states: "You shall not rule over him through rigorous labor." The Midrashic (Sifra, Leviticus 86; Midrash Hagadol, Leviticus 25: 39) explanation of this verse is that one should not ask his servant to perform unnecessary labor simply to assert one's authority. In addition, work given to a slave must have defined limit. Thus, one is not permitted to order his servant to hoe underneath a grapevine for an indefinite time period, say, until he returns. Also, the servant should not be told to remove his master's shoes or carry his master's clothing to the bathhouse or perform any such demeaning work. Degrading work, labor without a purpose, or a job that seems endless because it has no definite time limit has the effect of demoralizing a human being and is therefore prohibited for servants and certainly for employees.

When King Solomon built the Temple, he used a large number of workers. Even though the laborers were performing the most sacred of jobs, Solomon did not want to keep them away from their families for more than one month out of three. Employers must pay employees on time. Withholding payment due workers, or even paying late, is a violation of Biblical law. The Talmud (Babylonian Talmud, Bava Metzia 111b) extends this law to all kinds of payments owed including various types of rental fees. Firms that are late in paying their landlords or suppliers have also violated this law. Fringe benefits for

employees are also alluded to in the Bible. Masters are required to give their servants a severance gift known as hanakah. The Bible states (Deuteronomy 15: 13-14): "Do not send him away empty-handed. You shall give him a severance gift from your flocks, from your threshing floor, and from your wine cellar..." An ethical employer should realize that if the Bible demands that a slave be given a severance bonus after six years of labor, it is certainly appropriate for employers to reward loyal workers who have been with a firm for numerous years.

The Bible also gives a field worker the right to eat of the produce he works. Grape-pickers, for example, can eat some of the grapes they are harvesting but they are not allowed to place them into a vessel (to take home with them). These laws ensure that a field worker has a right to eat the crop he or she is working on while harvesting. However, they also protect the field owner from a rapacious worker who will take too much. Surely, an ethical employer, especially one in the food business, should allow workers to take a reasonable amount of food for themselves. Interestingly, many hotels allow employees to get all their meals free while working but do not allow them to pack up food to bring home.

Principle 4: Concern for Animal Rights "However, flesh with its life-blood in it, you are not to eat." (Genesis 9: 4)

"And Jacob journeyed to Succoth and built a house for himself and made booths for his cattle; that is why the place was called Succoth [meaning booths or stalls]." (Genesis 33: 17)

"And whether it be an ox or sheep, you shall not kill it and its young both in one day." (Leviticus 22: 28)

"If you encounter a bird's nest before you on the road, in any tree or on the ground - fledglings or eggs - and the mother crouching on the fledglings or upon the eggs, you shall not take away the mother with her young. You shall surely send away the mother and take the children for yourself, in order that it may go well with you and you may prolong your days." (Deuteronomy 22: 6-7)

"You shall not plow with an ox and donkey together." (Deuteronomy 22: 10)

"You are not to muzzle an ox while it is threshing."

(Deuteronomy 25:4)

The Bible requires the humane treatment of animals and contains several laws dealing with the minimization or avoidance of animal suffering. The Biblical prohibition against eating flesh (or blood) taken from a living creature (Genesis 9: 4) is listed by the Talmud as one of the seven Noachide laws (Babylonian Talmud, Sanhedrin 56a-b). These seven laws are the basic laws of civilization that all humankind is obligated to obey. The Patriarch Jacob built special booths (succoth in Hebrew) for his cattle to ensure their comfort in the brutal desert sun. Apparently, this was so unusual that the town was called Succoth because of this. The Bible contains several additional laws dealing with the minimization or avoidance of animal suffering. The Bible states (Deuteronomy 11: 15): "And I will give grass in your fields for your cattle, and you shall eat and be satisfied." Using this verse, the Talmud derives the law that one is prohibited from eating before providing food for his or her animal (Babylonian Talmud, Berachos 40a). The Bible forbids the muzzling of an ox [or any animal] when it is working the field (Deuteronomy 25: 4) because this causes the animal to suffer. The animal sees the grain but cannot eat it. Similarly, the Bible prohibits one from plowing a field with different species (Deuteronomy 22: 10). The reason is that different kinds of animals (The Bible's example is an ox and a donkey) do not work as a team since one is bigger and stronger than the other and this causes undue suffering for them (see commentary of Ibn Ezra on this verse). Sending away the mother bird before taking its fledglings or eggs is a way of minimizing the pain of the mother bird (Deuteronomy 22:6). In the same way, slaughtering an animal and its offspring on the same day is cruel and is therefore prohibited (Leviticus 22: 28). It is not too difficult to imagine the pain the mother feels watching its young being slaughtered. Animals owned by Jews were supposed to rest on the Sabbath (Exodus 20:10).

Pollan (2002) describes the entire procedure for raising calves for meat. The foremost item in the feedlot diet is corn and this results in many serious problems for the animals. Nature intended cows to eat grass and feeding them corn can produce feedlot bloat and acidosis. According to Pollan, it is quite unlikely that a cow would survive for more than 6 months on such a diet. This diet wreaks havoc on their rumen walls and livers and the only thing that keeps the animals from dying of liver disease or bloat is the huge amount of antibiotics mixed into their feed. Firms have an obligation to determine whether



the feedlot diet should be modified in a way so that the pain of cattle is minimized. A more serious problem than the way cattle are fed is the way they used to be slaughtered. In the past, there were complaints that the conveyor system used was not efficient and the animals sometimes woke up after being stunned and were then skinned alive. McDonald's did take the lead in ensuring that the system for slaughtering was improved by auditing suppliers and checking whether the conveyor system used was humane. Today, thanks to McDonald's, there has been a major improvement in the way cattle are slaughtered and the likelihood of an animal being tortured to death while being slaughtered is quite remote (Pollan, 2002).

Principle 5: Caring for the Environment "And God saw all that He made, and behold it was very good." (Genesis 1: 31)

"And the Lord God took the man [Adam] and placed him into the Garden of Eden, to work it and to protect it." (Genesis 2: 15)

"And Abraham planted a tamarisk tree in Beer Sheba and called there in the name of the Lord, the Everlasting God." (Genesis 21:33)

"For six years you are to sow your field and for six years you are to prune your vineyard, and you are to gather in its produce. But the seventh year there shall be a complete rest for the land a Sabbath to the Lord: your field you are not to sow and your vineyard you are not to prune." (Leviticus 25:3-4)

"And the land shall not be sold in perpetuity for the land is Mine; for you are sojourners and residents with Me." (Leviticus 25:23)

"The open spaces of the towns that you shall give to the Levites, from the wall of the town and outward, a thousand cubits all around." (Numbers 35: 4)

"When you besiege a city a long time, in making war against it to take it, do not destroy its trees by swinging an axe against them." (Deuteronomy 20: 19)

"There shall be an area for you outside the camp [to relieve yourself], and to it you shall go out. A spade you shall have along with your weapon; and it shall be when you sit outside [to relieve yourself], you shall dig with it, and when you go back,

you are to cover your excrement." (Deuteronomy 23: 13-14)

"He sends the springs into the streams; they flow between the mountains. They water all the beasts of the field; they quench the wild creatures' thirst. Over them dwell the birds of the sky; from among the branches they give forth song. He waters the mountains from His upper chambers; from the fruit of Your works the earth is sated. You cause grass to sprout for the cattle, and vegetation for the labor of man, to bring forth bread from the earth... How manifold are your works O God! All were made with wisdom; the earth is full of Your possessions."

(Psalms 104: 10-14, 24)

In Biblical times, pollution may not have been as serious a problem as today, but the Bible does contain laws that exhibit a great deal of concern for the land. For instance, the Bible (Deuteronomy 20: 19) does not allow soldiers to cut down fruit trees even when conducting a siege of an enemy's city. The Talmud extends the prohibition of not destroying fruit trees to any type of wasteful destruction (Babylonian Talmud, Shabbos 129a, Bava Kama 91b). The Talmud considers wasteful destruction of any kind a violation of Torah law. Even soldiers had to relieve themselves in specially designated areas outside the camp. The purpose of these laws was not solely for hygienic reasons (although this may have also been a reason). The reason given is (Deuteronomy 23: 15): "Therefore shall your camp be holy; so that He see no unseemly thing in you." Polluting the land with bodily wastes is an improper way to behave and is offensive to the Lord.

Adam and Eve were caretakers and their job was to protect the land. The Midrash (Ecclesiastes Rabbah 7:13) notes: "When God created Adam, He took him and led him round all the trees of the Garden of Eden, and said to him, "See My works, how beautiful and praiseworthy they are! Now all that I have created, I created for your benefit. Be careful that you do not ruin and destroy My world; for if you destroy it there is no one to repair it after you."

The Bible commands the farmer to give the land a complete rest in the seventh year (Leviticus 25:1-7). The purpose of the Sabbatical year may have been to protect the land from depletion. The land must be treated with respect and not abused. The Israelites were commanded to provide the Levites with 48 cities in lieu of inheriting a share of land like the other tribes. These cities were supposed to have open spaces of 1,000 cubits

around them (Numbers 35:1-6). The purpose of the open and undeveloped space was to beautify the towns (Babylonian Talmud, Arachin 33b).

Humanity has an obligation to treat the world with respect and not defile it. Individuals and corporations must respect and beautify the environment; practice the three R's of managing wastes: recycle, reduce, and reuse; and do everything to keep the environment safe. Beverage companies, such as Coca-Cola and PepsiCo that use billions of beverage containers, should not fight deposit laws, but should do everything they can to actively support legislation that encourages the recycling of containers.

Principle 6: Not Engaging in Dishonest and Immoral Business Practices "Thou shalt not steal." (Exodus 20: 13)

"Distance yourself from a false matter." (Exodus 23: 7)

"Do not accept a bribe." (Exodus 23: 8)

"You shall not steal, you shall not deal falsely, and you shall not lie one to another." (Leviticus 19: 11)

"You shall not cheat your fellow." (Leviticus 19: 13)

"You shall do no unrighteousness in judgment... with righteousness you shall judge your fellow." (Leviticus 19: 15)

"You shall not commit an unrighteousness in justice, in measures of length, weight, or volume. Just scales, just weights, just dry measures, and just liquid measures you shall have." (Leviticus 19: 35-36)

"You shall not have in your purse a stone-weight and a stone-weight - a larger and a smaller. You shall not have in your house a measure and a measure - a larger and a smaller. A perfect and honest stone-weight shall you have, a perfect and honest measure shall you have, in order that your days shall be prolonged on the land that God your Lord is giving you. For an abomination to God your Lord are all who do those things, all who act corruptly." (Deuteronomy 25: 13 -16)

"These are the things that you are to do: Speak the truth every man with his fellow; with truth, justice and peace, judge in your gates. And let none of you contrive evil in your hearts against one another and do not love false oaths; because all these are

things that I hate, declares the Lord." (Zechariah 8: 16-17)

"A false scale is an abomination to God; but a just weight is His desire." (Proverbs 11:1)

The Biblical prohibition against stealing is the eighth commandment of the Ten Commandments and is discussed more thoroughly in Leviticus (19: 11-13). Obviously, all types of deception and dishonesty are prohibited. The Bible (Exodus 23: 7) also states: "Distance yourself from a false matter." The above include all kinds of falsehoods including press releases with misleading information, deceptive advertisements, deceptive labels, deceptive packages, etc. Certainly, selling defective items or low-quality items and duping customers into believing they are better than they really are would also be a violation of this law.

In Talmudic law, sellers must inform buyers of any hidden defects in the merchandise and sales made under false pretences, for example by hiding a product defect, would be null and void (Babylonian Talmud, Bava Kama 46a, Bava Bathra 92a). The Talmud (Babylonian Talmud, Bava Metzia 60a) prohibits various kinds of deceptions in selling including the following: painting animals or utensils in order to fool prospective buyers into thinking they are younger or newer; deceiving potential customers by placing the better quality merchandise on top of the bin (and the lower quality merchandise on the bottom) in order to make it appear that the merchandise is of uniformly high quality throughout.

The law against deception is relevant even in marriage, and the discovery of a hidden bodily defect in a spouse may annul the marriage (Babylonian Talmud, Kethubos 11b, 57b). Evidently, the Talmud considers any type of deception or dishonesty to fall under the Biblical prohibition (Leviticus 19: 1-13) against stealing, denying falsely, or lying.

One of the prophet Isaiah's (1: 22) criticisms of Israel dealt with unethical business practices. Isaiah complained that: "Your silver has become dross, your wine diluted with water." According to most commentaries, this is not a metaphor but refers to actual deceptive practices in ancient Judah and Jerusalem that angered the Lord. Apparently, even in ancient times, some retailers would adulterate their products.

Since using dishonest weights and measures are a serious

transgression, the Talmud (Babylonian Talmud, Bava Bathra 88a) instructed shopkeepers to wipe their weights once a week and clean their scales after every weighing. In Talmudic times, market commissioners were appointed to superintend businesses using weights and measures (Babylonian Talmud, Bava Bathra 89a). Firms deceiving consumers about the true weight of their packaged product would also be in violation of the spirit of this law. Financial statements are a modern version of weights and measures and they should be truthful and not attempt to deceive.

Principle 7: Keeping Market Prices Stable "If you sell something to your neighbor or buy something from your neighbor's hand, you shall not wrong one another." (Leviticus 25: 14)

"Listen to this, you who devour the needy, annihilating the poor of the land, saying when will the month pass, so that we can sell grain; the Sabbatical year, so that we can open the stores of grain; using an ephah that is too small and a shekel that is too large, and distorting dishonest scales. To purchase the poor with silver and the destitute for shoes, and selling the refuse of grain as grain." (Amos 8: 5-6)

The Bible (Leviticus 25: 14) states: "If you sell something to your neighbor or buy something from your neighbor's hand, you shall not wrong one another." This verse is interpreted by the Talmud (Babylonian Talmud, Bava Metzia 50b) to refer to overcharges and undercharges. If the overcharge is more than one-sixth, the sale is null and void. Interestingly, this law also applies to undercharges. Thus, if an individual, unaware of the true value of an item, wishes to sell it, the buyer must not take advantage of the seller's ignorance and underpay. The Talmud (Babylonian Talmud, Bava Bathra 90a) extended the law against price fraud and instituted a law against excessive markups on necessities. Any profit from the sale of a necessity was not to exceed one-sixth. The Talmud was extremely concerned with price stability.

The prophet Amos remonstrated the Jews for unethical business practices including hoarding food in order to resell it a high price, tampering with weights and measures, and raising prices unjustly. The Talmud states that the prophet Amos had the above groups of dishonest businesspeople in mind when he said (Amos 8: 7): "The Lord swears that he will never forget what they have done." Thus, to the Talmudic sages, causing prices to rise by hoarding or other means was a violation of Bible law similar to tampering with weights and measures (Babylonian Talmud, Bava Bathra 90b). The great sage Rabbi Shimon b. Gamliel was extremely upset when he heard that the price for

doves, necessary for certain sacrifices, had reached a golden dinar. Accordingly, he swore that he would not sleep until the price went down to a silver dinar, so he revised the laws concerning sacrifices in order that demand for doves would decrease, and the price sank almost immediately to one-quarter of a silver dinar (Babylonian Talmud, Krithoth 8a). Similarly, Shmuel, a Talmudic sage, warned the sellers of myrtle branches - used during the holiday of Sukkot (Tabernacles) - that he would allow the use of myrtles with broken tips if merchants raised prices when the holiday was approaching (Babylonian Talmud, Sukkah 34b).

Firms ought to do more than just refraining from price fixing. They should strive to keep prices low and stable. The best way to accomplish this is by not interfering with competition and by using technology to manufacture products as efficiently as possible.

#### Principle 8: Not Giving Bad Advice to the Unwary or Placing Temptation Before the Morally Weak

"You shall not curse the deaf nor place a stumbling block before the blind; you shall fear your God - I am your Lord." (Leviticus 19:14)

Most commentators interpret the "blind" person in this verse in a metaphoric sense. It does not seem likely that placing stumbling blocks before blind people was a common practice even in ancient times. Moreover, why single out blind people when there are a sufficient number of laws dealing with causing injury to others, blind or not. Many Biblical commentators therefore interpret the word "blind" to represent any person or group that is unaware, unsuspecting, ignorant, or morally blind, and individuals are prohibited from taking advantage of them or tempting them to do wrong. In fact, many scholars believe that the "deaf" person in the same verse should also be interpreted metaphorically. After all, what is the point of cursing a deaf person? It is therefore seen as an admonition not to curse or slander people who are unable to defend themselves.

The principle of "not placing a stumbling block before a blind person" is interpreted to mean not intentionally giving bad advice to others or to place temptation before others and possibly cause them to commit a sin or crime (Midrash Sifra, Leviticus 19:14; Babylonian Talmud, Pesachim 22b; Babylonian Talmud, Nedarim 62b). There is a Midrash (Midrash Hagadol, Leviticus 19:14) that states that individuals who "strengthen the hand of sinners" or assist others to commit

a misdeed, have transgressed the prohibition against "placing a stumbling block before the blind." One might argue that remaining quiet in the face of evil, i.e., not blowing the whistle on iniquities strengthens the hand of wrongdoers. In fact, the verse in Leviticus (19: 17), "You shall surely rebuke your fellow and do not bear a sin because of him," makes it mandatory for individuals to blow the whistle on wrongdoing.

Organizations that are concerned with the above principle will be careful about ensuring that customers and clients are given full and accurate information. They will also not offer bribes to buyers and thus tempt them to wrongdoing. Finally, they will encourage whistle blowing as a means of ensuring that injustices are eliminated.

As an aside, the principle of "not placing a stumbling block before the blind" in a literal sense supports the concept of helping the handicapped. Buildings should be made accessible to the handicapped and should be built with ramps and railings and thereby not cause the blind and other handicapped to "stumble." There very well may be an obligation upon society to provide large-print books, books in Braille, and special schools for the disabled. The ideal way to assist the handicapped, of course, is by providing them with employment.

Principle 9: Behaving in an Aboveboard Manner "These are the accounts of the Tabernacle, the Tabernacle of the Testimony, as they were calculated according to the commandment of Moses..." (Exodus 38:21)

"...and you shall be innocent before God and Israel." (Numbers 32:22)

Demonstrating the importance of keeping honest records, Scripture (Exodus 38: 21- 31) enumerates the amount of gold, silver, and copper used in the construction of the Tabernacle. Moreover, Moses wanted to show that he was above suspicion and make evident to the Israelites that no precious metals were diverted for anyone's personal use. Thus, he commanded others to audit the books. The Midrash (Midrash Exodus Rabbah 51: 1) comments: "though Moses was the sole treasurer, yet he called others to audit the accounts with him." The Talmud (Babylonian Talmud, Yuma 38a) uses the verse in Numbers to derive the general principle that one must behave in such a manner that he does not give rise to suspicions on the part of others.

Organizations also have an obligation to behave in a manner that does not cause others to be suspicious of what they are doing. This includes using truly independent auditors and avoiding situations that give rise to conflicts of interest. Financial statements issued by firms should clearly state all assumptions made and be as honest and understandable as possible. The purpose of financial statements and news releases should be to inform and enlighten, not to obfuscate.

Principle 10: Helping One's Enemies/Competition "If you encounter your enemy's ox or his donkey going astray, you shall surely bring it back to him." If you see the donkey of your enemy lying under its burden, would you refrain from helping him? You shall surely help with him. (Exodus 23: 4-5)

"You shall not see your fellow's donkey or ox fallen on the road and hide yourself from them; you shall surely raise them up with him." (Deuteronomy 22: 4)

"God, Who may sojourn in Your tent? Who may dwell upon Your holy mountain? One who walks in total integrity, does what is right, and speaks the truth from his heart. One who has no slander on his tongue, who has done his fellow human no evil nor cast disgrace upon his close one... Whoever does these things shall never falter." (Psalm 15)

"Who may ascend the mountain of the Lord and who may stand in His holy place? He who has clean hands and a pure heart; who has not taken a false oath by My soul and has not sworn deceitfully." (Psalm 24: 3-4)

The above laws can be easily extended to helping one's enemy when his/her business is in trouble. A major asset of the farmer in Biblical times was the ox. Thus, returning the lost ox of one's enemy is tantamount to helping the competition when they are in trouble. Competition is good for society; going all out to destroy one's competitor is not the Biblical way of doing business. In fact, predatory pricing is not only a violation of American law but is also immoral. Businesspeople who have "clean hands," a "pure heart," and who have done their "fellow human no evil" are assured by the Psalmist of never faltering and of ascending the "mountain of the Lord."

Principle 11: Being Scrupulous About Not Causing Harm to Others "If a man shall open a pit, or if a man shall dig a pit and not cover it, and an ox or ass falls therein, the owner of the pit shall make restitution ..." [Exodus 21: 33-34]



"Do not stand on the blood of your fellow" [Leviticus 19: 16]

"When you build a new house, you shall make a guard-rail for your roof so that you will not bring blood in your house if someone falls from it." [Deuteronomy 22: 8]

Organizations have to very careful that their factories, products, and emissions are safe and pose no threat to employees, customers, or the public. The Bible holds an individual opening a pit in a public place responsible for all damages resulting from it, even if it was not done maliciously. It is not sufficient to make restitution for any losses resulting from one's negligence; a person or firm must be proactive. This is the reason the Bible demanded that a homeowner build a fence for their roof. In ancient times, people used their roofs for various purposes and it was not impossible for someone to fall from it by accident. A modern application of this law would involve placing safety shields around machinery and testing products for dangers. In fact, the Talmud uses the phrase "... not bring blood in your house" to derive the rule that one may not have a defective ladder or raise a dangerous dog in his house (Babylonian Talmud, Kethubos 41b). Obviously, the same logic would apply to one's business.

The verse (Leviticus 19: 16), "One must not stand on the blood of his fellow," is interpreted by the Talmud as an obligation to help one's fellow human being when in physical danger (Babylonian Talmud, Sanhedrin 73a). The Midrash (Sifra, Leviticus 19: 16), however, asserts that withholding testimony that can help one's fellow would also fall under this prohibition. Thus, there is an obligation to intervene and do something when someone else is in danger. This principle can be easily extended to dangerous conditions in the workplace. One is obligated to do everything possible - even blow the whistle and go to the authorities - if a firm is doing anything that can harm employees or the public.

Principle 12: Going Beyond the Requirements of the Law "You shall love your fellow as yourself." (Leviticus 19: 18)

"You shall do that which is right and good in the sight of the Lord," (Deuteronomy 6: 18)

"Learn to do good, seek justice, strengthen the victim, do justice for the orphan, take up the grievance of the widow." (Isaiah 1: 17)

"I am God who performs kindness, justice, and righteousness in the

land for those are what I desire" (Jeremiah 9: 23)

"I shall betroth you to me with righteousness, with justice, with kindness, and with mercy." (Hosea 2: 21)

"Practice kindness and justice and place hope in your God constantly." (Hosea 12: 7)

"What does God seek of you: Only the performance of justice, to love kindness, and walking humbly with your God." (Micah 6: 8)

"That you may go in the way of the good and keep the ways of the righteous." (Proverbs 2: 20)

Righteous organizations should not only abide by the strict requirements of the law, but should also go beyond it. There are several situations in which a moral organization will act in the "way of the righteous" even when not required by the law. The Talmud (Babylonian Talmud, Bava Metzia 24b) states that individuals who go beyond the requirements of the law will return lost objects to their owner even if the owner has given up any hope of finding it, e.g., if it fell into the ocean. Businesses should also go beyond the letter of the law and be willing to lose money rather than take advantage of another's misfortune. For instance, if a firm's product or waste materials have hurt others, the organization should reimburse the victims, even if the firm's lawyers can use the law to escape liability. Rabbi Yosi restated the Golden Rule and gave it a business slant in the Mishna (Babylonian Talmud, Avot 2:17): "Let your fellow's money be as precious to you as your own."

Righteous people who "love kindness" and seek to help the weak should be willing to take financial losses in bad times rather than lay off workers. In our own time, Aaron Feuerstein, President of Malden Mills, displayed an unusually high level of ethics after his textile company burnt down on December 11, 1995. Feuerstein could have taken the insurance money and not rebuilt his company. Not only did he choose to rebuild primarily in order to save the jobs of 3,000 employees, but he paid his idled workers for 90 days and took care of their health-care benefits for 180 days. The total cost of his generosity was about \$10,000,000. Apparently, Mr. Feuerstein chose to "keep the ways of the righteous." (Coolidge, 1996).

## **Conclusion**

This paper demonstrates that many of the concerns of ethicists

today regarding business ethics have their antecedents in the Hebrew Bible and the Talmud. A simple rule of business ethics can also be derived from the sage Hillel's philosophy (Babylonian Talmud, Avot 1: 14): "If I am not for myself, who will be for me? And if I only care for myself, what am I?" An organization must achieve its goals (e.g., profit) but must also care for others. Developing a code of ethics based on Biblical principles is an important step in caring for both the organization and society.

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