YESHIVAT HAR ETZION

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STUDENT SUMMARIES OF SICHOT OF THE ROSHEI YESHIVA

**Parashat Vayigash**

**Sicha of HarAV Baruch gigi**

**Yosef’s Economic System From a Torah Perspective**

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**Introduction**

At the end of our *parasha*, the Torah describes at great length the economic measures adopted by Yosef as part of his management of the land of Egypt. We will try to understand those steps that are the least understandable, while comparing them to the Torah's economic system, as it is described in the later books of the Torah.

**Yosef’s Surprising Economic Policy**

The Torah describes Yosef's measures as follows:

And when that year was ended, they came to him the second year, and said to him: We will not hide from my lord, how that our money is all spent; and the herds of cattle are my lord's; there is nothing left in the sight of my lord, but our bodies, and our lands. Why should we die before your eyes, both we and our land? Buy us and our land for bread, and we and our land will be slaves to Pharaoh; and give us seed, that we may live, and not die, and that the land be not desolate.

So Yosef bought all the land of Egypt for Pharaoh; for the Egyptians sold every man his field, because the famine was sore upon them; and the land became Pharaoh's. And as for the people, he removed them city by city, from one end of the border of Egypt even to the other end thereof. Only the land of the priests he did not buy, for the priests had a portion from Pharaoh, and did eat their portion which Pharaoh gave them; therefore they did not sell their land.

Then Yosef said to the people: Behold, I have bought you this day, and your land, for Pharaoh. Lo, here is seed for you, and you shall sow the land. And it shall be at the harvests that you shall give a fifth to Pharaoh, and four parts shall be your own, for seed of the field, and for your food, and for them of your households, and for food for your little ones. And they said: You have saved our lives. Let us find favor in the sight of my lord, and we will be Pharaoh's slaves. (*Bereishit* 47:18-25)

In contemporary terms, it can be said that Yosef nationalized all Egyptian land. We know the idea of nationalization well, as various economic approaches and regimes have adopted it. However, whereas these regimes gathered all of their country's produce into state coffers and provided a living for every person in accordance with his needs, Yosef imposed a relatively low tax and left the rest of the produce to those who toiled for it. Why?

**The Difference Between the Priests of Egypt and the Priests of God**

Before addressing this question, let us briefly consider the land of the priests: Since the priests of Egypt had a fixed stipend ("for the priests had a portion from Pharaoh"), they could retain possession of their lands and preserve their economic freedom.

This reality is exceedingly different from that of the priests of Israel:

The priests the Levites, even all the tribe of Levi, shall have no portion nor inheritance with Israel; they shall eat the offerings of the Lord made by fire, and His inheritance. And they shall have no inheritance among their brothers; the Lord is their inheritance, as He has spoken to them. And this shall be the priests' due from the people, from them that offer a sacrifice, whether it be ox or sheep, that they shall give to the priest the shoulder, and the two cheeks, and the maw. The first-fruits of your corn, of your wine, and of your oil, and the first of the fleece of your sheep, shall you give him. For the Lord your God has chosen him out of all your tribes, to stand to minister in the name of the Lord, him and his sons forever. (*Devarim* 18:1-5)

The priests receive a fixed income that frees them from the hard labor associated with the material world, but they also have no landed inheritance. The priestly gifts are intended to allow them the privilege and the duty of focusing on spiritual matters, to instruct the people in God's way. This is not a matter of special privileges, like those enjoyed by the priests of Egypt, but is rather a system of duties and benefits which is meant to create in Israel an elite group that is "above" the affairs of this world.

**Economy According to the Torah**

Returning to Yosef's economic policy, let us begin with a general and very superficial overview of two prevailing economic systems in our world. One central approach is that of socialism and communism, which holds: "From each according to his ability, to each according to his needs." All produce goes to the state, which distributes it to those who need it the most, in accordance with the state’s calculations. In contrast, the capitalist approach supports the existence of a completely "free market" – each individual should try to support himself according to his skills, and all of the recompense is his: if he succeeds, the success is fully credited to him, and if he fails, he must bear the consequences; no one will come to rescue him.

Each of these approaches, in its extreme form, has serious drawbacks: Communism disappeared from the world, after the resounding failure of the countries that adopted it (primarily the Soviet Union), due to its main flaw, namely, its impairment of the motivation to work: Why should I exert myself, if my efforts do not benefit me? Why should I work at all, if I will receive my livelihood regardless?

Capitalism also has distinct disadvantages, primarily in the huge social gaps it creates: certain groups are very successful, while others are not at all. The shaky social structure that is thus created has been quite evident in recent years in the United States, in the great wave of protests and riots that took place against the background of social tension.[[1]](#footnote-1)

What is the Torah's approach to all this? On the simple level, the Torah seems to encourage personal initiative, and allows each person to advance financially on his own. But it also includes certain safety mechanisms designed to even out the economic game board, for the benefit of both the poor and the rich.

The first type of such restrictions is the Torah's laws regarding business practices – the prohibitions of interest-bearing loans, of fraud, of delaying payment of wages, and others. The Torah bars a person from using his economic power in an unrestrained manner, so that the weaker players fall even lower. There are many sad cases of people who have gotten caught in a financial downspin due to loans they took out with murderous interest rates, or of those who are forced to work for minimal wages for huge corporations that are raking in huge profits – but the Torah limits all this, even at the cost of certain damage to economic growth.

The second type of limitation is the obligation of charity, which is defined according to Halakha as a communal matter – so much so that "we have never seen nor heard of a Jewish community that does not have a charity fund" (Rambam, *Hilkhot Matanot Evyonim* 9:3), and as a direct result, people have indeed enjoyed a roof over their heads and have been saved from the indignity of starvation.

However, it is important to remember that the Torah's purpose with regard to the mitzvaof charity is not only to help the poor, but also – and perhaps even mainly – to make the rich conduct themselves with compassion and sensitivity, such that their ears are open to the cries of the poor, as Rabbi Meir said:

It has been taught: Rabbi Meir used to say: The critic [of Judaism] may bring against you the argument: If your God loves the poor, why does he not support them? If so, answer him: So that through them we may be saved from the punishment of Gehinnom. (*Bava Batra* 10a)

**Yosef’s Economic “Golden Path”**

In light of this analysis, we can better understand the actions of Yosef, who tried to draw the best out of the two economic approaches. In theory, he nationalized all the land in the country, making it clear that the produce was supposed to reach Pharaoh, and he could therefore collect taxes as he wished. But in practice, he gave ample room for personal initiative and progress, in order to motivate the people to work and thus recover from the years of famine.

As an aside, it should be noted that from a purely economic point of view, Yosef's plan seems to be a successful idea that works well – but no consideration is given here to the moral dimension of economic life, such as charity. The commandments of the Torah, which are intended to make society as a whole more just and united, will only be given later to the people of Israel.

[This *sicha* was delivered on Shabbat *Vayigash* 5781.]

1. The wave referred to at the time this *sicha* was delivered began with the killing of George Floyd at the hands of a police officer. [↑](#footnote-ref-1)