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What Great Transformation? Continuity, Rupture, and Capitalism in Twenty-First-Century Jewish Studies

SAMUEL HAYIM BRODY

At one stage or another in the history of almost any field of study, the condition may obtain that the more ample the facts that come to our cognizance the less do they appear to fit into a pattern.

Karl Polanyi¹

Scholarly debate can only take place when academics agree on which questions they should be asking.

Ian Morris²

RUPTURE, CONTINUITY, AND MODERNITY IN JEWISH POLITICS AND ECONOMY

IN STUDIES OF JUDAISM AND POLITICS, one commonly finds “modernity” invoked as a watershed prompting challenges to traditional forms of Jewish political organization. While scrupulous historians are wary of overemphasizing rupture, the idea of a watershed political modernity has largely held its ground against revisionist dissent.³ Emphasis is commonly

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1. “Marketless Trading in Hammurabi’s Time,” in *Trade and Market in the Early Empires: Economies in History and Theory*, ed. K. Polanyi, C. M. Arensberg, and H. W. Pearson (Glencoe, Ill., 1957), 12.

2. Foreword to Moses I. Finley, *The Ancient Economy* (Berkeley, Calif., 1999 [1973]), ix–x.

3. For an important warning against the pitfalls of overemphasizing modernity as rupture, see Kathleen Davis, *Periodization and Sovereignty: How Ideas of Feudalism*

placed on the ways that, to cite just one recent example, “Jews had to abandon or reconfigure the separate legal authority they had struggled to maintain over their communities previously, making Judaism a religion like others, with faith a private affair.”⁴ The broad changes of the modern period, it is widely agreed, raised new questions for Jews and Judaism, in their relationships to nation-states and empires, religion and nationalism, borders and territory, legitimacy and law, citizenship and rights, minorities and majorities. In recent studies of Jewish political thought, the concept of sovereignty has been singled out for special attention, thanks to trends within both the academy and the broader public.⁵ For social and cultural historians, nationalism receives similar attention, being widely recognized as a uniquely modern intellectual construct of complex origins and with vast practical implications.

Turning from politics to economy, however, we find a striking contrast. The discourse of rupture, break, and watershed is toned down or disappears, and in its place we encounter a sense of relative continuity. Jewish studies literature on the intersection of Jews and economics does not display anything like consensus on a modern economic equivalent to the “political” phenomena of rupture: the dissolution of the autonomous Jewish corporation, the emergence of nation-states and democracies, the emancipation of Jews and their inclusion as citizens. To be sure, all of these political processes have economic implications. But these implications, however interesting and important, are not marked as factors by which we can distinguish Jewish modernity from prior eras. In other words, they do not represent ruptures. This appears to hold true for both of the two main academic subfields that address Jewish economic life and thought: economic history and constructive ethics (the latter of which I construe to include both philosophical-theological ethics as well as halakhic writing on economic issues).

These two subfields approach the intersection of Jews and economies

and Secularization Govern the Politics of Time (Philadelphia, 2008). Here I can only signal my intention to heed her concerns.

4. Samuel Moyn and Eugene R. Sheppard, foreword to *Jewish Legal Theories: Writings on State, Religion, and Morality*, ed. L. Batnitzky and Y. Y. Brafman (Waltham, Mass., 2018), ix.

5. For the continuing centrality of sovereignty, see the essays collected in *Judaism, Liberalism, and Political Theology*, ed. R. Rashkover and M. Kavka (Bloomington, Ind., 2013); and more recently, Julie E. Cooper, “A Diasporic Critique of Diasporism: The Question of Jewish Political Agency,” *Political Theory* 43.1 (2015): 80–110. A more public discourse on sovereignty manifests in a divergence between American and Israeli Jews; Dov Waxman, *Trouble in the Tribe: The American Jewish Conflict over Israel* (Princeton, N.J., 2016).

in complementary ways, rooted in their different concerns. Economic historians are concerned with “Jews”; ethicists with “Judaism.” Economic historians are interested in the actual historical behavior of Jewish individuals and groups, approaching each with a trained sensitivity to the particular context in which they operated. Ethicists are interested in reading classical texts normatively, and in ideal meanings that transcend particular contexts to represent Judaism to the present. This near-perfect methodological divergence between the two subfields makes it especially noticeable when they converge—as I argue they do in their treatment of Jewish economic modernity. Both see Jewish economic modernity as more continuous with the past than Jewish political modernity. For economic historians, one might find continuity asserted explicitly, as a narrative claim about how Jewish occupational specialization in the medieval period prepared Jews to take advantage of opportunities offered by economic modernity. More frequently, however, economic historians express skepticism of grand narratives, preferring not to comment on big questions of rupture or continuity at all. This attempt at neutrality, however, may reinforce the impression of economic continuity when contrasted with the clear impression of rupture in Jewish political history.

For ethicists, who read classical texts normatively, grand narrative or the lack thereof is not the issue. Applying ancient texts to contemporary situations, standard operating procedure offers ethicists a certain “license to de-historicize.” By this I mean that for ethicists there is nothing necessarily objectionable or dangerous about anachronism. If an ethicist has a historicist objection to a particular argument, their next move is to show that without taking a certain historical event, experience, or category into account, it is impossible to understand, critique, or apply the relevant values in a particular ancient text. One sees ethicists historicize in this manner fairly regularly when discussing certain political categories, such as sovereignty, monarchy, and nationhood.⁶ With economic categories, however, such as property, wages, or taxes, rabbinic texts usually continue to be read as though “our” context and circumstances are similar enough to “theirs” to justify plain-sense, literal readings.⁷

6. For a recent example, see Robert Eisen, *Religious Zionism, Jewish Law, and the Morality of War: How Five Rabbis Confronted One of Modern Judaism's Greatest Challenges* (New York, 2017).

7. For example, Salo Baron translates a passage from a responsum by R. Meir b. Baruch, the Maharam of Rothenburg: “In our entire realm, [Jews] pay not tax on land. Sometimes capitalists have tried to change this system, but when the matter was brought before us, we disallowed it’ (Responso (Prague, 1607), 50c no.452.” I would call it philologically problematic for Baron to choose the term “capitalists” to render a thirteenth-century text’s use of *ba’ale kiwin*, a term that

Why should it be the case that Jewish modernity is treated as a grand rupture in political terms, but as continuity when speaking economically? One possible answer has to do with the complexity and difficulty attendant upon the concept of capitalism, which once filled the role of “rupture-concept” for economic modernity, the economic counterpart to nation-states and democracy. For some historians and political theorists, capitalism has been seen as a uniquely modern phenomenon, differing qualitatively from any form of economic organization that preceded it. For others, however, what we call capitalism is simply a modern permutation of perennial economic behaviors. These behaviors may have quantitatively more free rein in modernity, but this does not amount to a case for a qualitative distinction of the kind that would justify “rupture-talk.” As the economic historian Michael Toch has pointed out, scholars too live in “contexts,” and their challenge “is to fruitfully apply the insights and incentives gained from our own condition to the subject matter and evidence of a far-away past that for us looks very much like a ‘foreign country.’ Our question: did they really ‘do things differently there?’”⁸ Contemporary Jewish economic historians and ethicists have been operating recently as though the answer to this question is “no.” Considering each field in turn, I explore why that is and consider the potential implications of answering “yes” instead.

CONTINUITY IN JEWISH ECONOMIC HISTORY:
FROM ESSENTIALISTS TO CONTEXTUALISTS

What, if anything, distinguishes Jewish economic history from anyone else’s? Political polemicists have frequently weaponized research on Jewish economy in their attempts to answer this question, creating a charged, uncomfortable intellectual environment. Perhaps partially as a result, the field has experienced dramatic phases of neglect and resurgence over the past few decades.⁹ Contemporary Jewish economic historiography may be characterized by what Derek Penslar has called an “intriguing meth-

idiotically simply refers to wealthy people, literally “masters/owners of the purse.” Salo Baron, “Economic History,” in *Encyclopedia Judaica, Second Edition*, vol. 6, ed. F. Skolnik, M. Berenbaum, et al. (Detroit, 2007), 109. (Baron’s citation to responsum 452 is incorrect for the Prague edition; it should read no. 941. My thanks to Marc Herman and Simcha Emmanuel for assistance in helping me locate the original text in the Maharam.)

8. Michael Toch, *The Economic History of European Jews: Late Antiquity and Early Middle Ages* (Leiden, 2013), 6. Note how the rhetorical framing of the poetic citation leads one to expect the answer “no.”

9. Jonathan Karp, “An Economic Turn in Jewish Studies?” *AJS Perspectives* (Fall 2009): 8–11.

odological tension” between two styles—essentialism and contextualism (best conceived as modes of writing or ideal types, rather than truly divided scholarly camps).¹⁰ Essentialists perceive and assert “Jewish economic distinctiveness,” being drawn to large claims about the nature of Judaism’s relationship to economics over time (e.g., “Judaism is friendlier to commerce than Christianity”). Contextualists prefer to embed Jewish economic behavior in very specific, local contexts (e.g., the textile trade in nineteenth-century England) and avoid large, metahistorical claims. In this section, I indicate some consequences of each pole. Despite their clear and sharp methodological differences, I argue that both essentialists and contextualists lack a qualitatively determinate concept of capitalism, and therefore both risk anachronism when they affirm continuity and deny rupture in Jewish economic history.

Neither essentialism nor contextualism need be extreme. Both have been expressed as modest claims about the historical record. Penslar, for example, asserts on behalf of the essentialists that “signs of Jewish economic uniqueness remain and demand explanation.”¹¹ Against this, Jacob Neusner saw “no evidence that Jews wherever they lived conducted economic action in one way, rather than in some other, nor wrote a single, unitary, linear, and harmonious economic history.”¹² Neusner’s position is so strongly contextualist as to rule out the very possibility of Jewish economic history; later contextualist scholars have moderated it. Gideon Reuveni, for example, writes that Neusner “suggests that we should turn away from the notion that the Jews formed a single, linear, unitary group in all places and throughout history, and instead assume a more miscellaneous and fluid conceptualization of Jewishness that does not assume ‘master’ narratives or ‘unchanging monolithic categories’ like ‘nation’ and ‘religion.’”¹³ This approach fits well with contemporary historians’ prefer-

10. Derek Penslar, foreword to *The Economy in Jewish History: New Perspectives on the Interrelationship between Ethnicity and Economic Life*, ed. G. Reuveni and S. Wobick-Segev (New York, 2011), vii. I find this distinction useful as a heuristic for organizing a brief overview of a large field; I do not claim (nor, I think, does Penslar) that it is comprehensive, nor that it is the only heuristic possible.

11. Penslar, foreword to *The Economy in Jewish History*, vii.

12. Jacob Neusner, *The Economics of the Mishnah* (Chicago, 1990), xii–xiii. Neusner’s focus on the Mishnah is an effort to distill an economic teaching from one text of “a” Judaism, precisely because he sees a general Jewish economic history as impossible.

13. Gideon Reuveni, “Prolegomena to an ‘Economic Turn’ in Jewish History,” in *The Economy in Jewish History*, 12. As coeditor, Reuveni classifies *The Economy in Jewish History* as Neusnerian in this sense: “The eleven chapters collected in this volume confirm this approach to Jewish history. They do not amass a master narrative of a Jewish economy, but instead offer a range of perspectives

ence for microhistory; similar statements appear in many other area studies.

The salience of grand interpretive frameworks, however, has sometimes mattered more to Jewish economic historiography than the sifting of granular evidence. Jonathan Karp has written that essentialist Jewish economic histories have often intended to advance “large, metahistorical claims about the overarching significance of Jews to Western economic development.”¹⁴ Such claims typically depend on identifying Jews with a distinct economic profile and then envisioning that profile as cognate with or giving rise to Western “economic modernity.” By this means, the Jews become harbingers of modernity itself. The strategy does not dictate the normative *evaluation* of modernity, however, and as such it has been pursued by both capitalists and anticapitalists, philosemites and antisemites. The most notorious example of the latter is Werner Sombart’s *The Jews and Modern Capitalism* (1911), which attempted to counter Max Weber’s claim that the ideational resources of capitalism derived primarily from Calvinism. Sombart’s alternative proposal—that capitalism itself was “Jewish” in nature and origin—relied on racist stereotyping and shoddy scholarship. It was heatedly debated in Jewish circles; some wanted to take it as a compliment, others saw it as a grievous insult.¹⁵ Although Sombart was by no means the first writer to make this claim, the virulence with which he asserted it, the negative inflection he gave it, and his later Nazi affiliation did much to deter others from exploring the same scholarly territory.¹⁶

A century later, Jewish economic historians are still overcoming the bitter aftermath of the Sombart affair, and it has had a powerful impact on the relative fortunes of essentialism and contextualism. Rebecca Kobrin and Adam Teller, the editors of *Purchasing Power*, a recent collection of Jewish economic history essays, write that the chapters in their volume eschew essentialism and “the capitalism debate” in favor of a

on what we may refer to as Jewish economies.” The citation on “unchanging monolithic categories” is to David Biale, preface to *Cultures of the Jews: A New History*, ed. D. Biale (New York, 2002), xxx.

14. Karp, “An Economic Turn?” 9.

15. For a fuller account of the Sombart affair, see Adam Sutcliffe, “Anxieties of Distinctiveness: Werner Sombart’s *The Jews and Modern Capitalism* and the Politics of Jewish Economic History,” in *Purchasing Power: The Economics of Modern Jewish History*, ed. R. Kobrin and A. Teller (Philadelphia, 2015), 238–57.

16. Penslar, *Shylock’s Children: Economics and Jewish Identity in Modern Europe* (Berkeley, Calif., 2001); Karp, *The Politics of Jewish Commerce: Economic Thought and Emancipation in Europe, 1638–1848* (Cambridge, 2008).

focus on “the complexity and specificity of Jews’ economic life at different times and places—phenomena often forgotten or ignored in the search for a unifying grand theory.”¹⁷ It seems to these contemporary contextualists that the pioneering historical sociologists of a century ago were unduly interested in affiliating capitalism either with Judaism or with Protestantism so that they could assign credit or blame. Such polemical motivations led them to essentialize both religion and capitalism. In order to avoid falling into what Kobrin and Teller aptly call a “teleological trap,” then, historians today “feel no need to squeeze their findings into a predetermined view of capitalist development.” The authors of these “ever more contextualized studies [. . .] have demonstrated little interest in the grand theories (of capitalism or socialism).”¹⁸ Sombart casts an even stronger shadow over the smaller number of essentialist studies, since these must anticipate objections about their potential proximity to Sombart’s thesis. As Karp has written, both Sombart and, more recently, Yuri Slezkine’s *The Jewish Century* (2006) identify a “spirit” of the Jews linked to capitalism; both may “usefully puncture the academic silence that obscures a critically important topic, but do so in a manner that lends unfortunate credence to overreactive responses. They thus tend to provide ammunition to those who would argue that any effort to present a master narrative of Jewish economy must inevitably lead to dangerous overgeneralizations and ‘essentialism,’ that bogeyman of contemporary academic discourse.”¹⁹ Indeed, most contemporary Jewish economic history is contextualist, comprising detailed, exacting, increasingly contextualized studies of Jews in particular economic niches.²⁰ Even those recent

17. Kobrin and Teller, “Purchasing Power: The Economics of Modern Jewish History,” introduction to *Purchasing Power*, 2; 17; 4.

18. Kobrin and Teller, “Purchasing Power,” 17. An exception within *Purchasing Power* itself is Sutcliffe’s previously mentioned “Anxieties of Distinctiveness,” 238–57. I am sympathetic to Sutcliffe’s warning that because “Jewish economic history remains [. . .] more comfortable with microstudies and the deconstruction of stereotypes than with ambitious synthesis or theorization [. . .] the field risks a loss of the analytical language that binds the study of Jewish history together and connects it to other terrains of inquiry” (254–56). A similar view that “micro-histories are not enough” is voiced by Ira Katznelson, “Two Exceptionalisms: Points of Departure for Studies of Capitalism and Jews in the United States,” in another collection edited by Rebecca Kobrin, *Chosen Capital: The Jewish Encounter with American Capitalism* (New Brunswick, N.J., 2012), 20.

19. Karp, “An Economic Turn?” 9.

20. To give only a brief, regrettably incomplete list of English monographs since the turn of the century: Jonathan Israel, *Diasporas within a Diaspora: Jews, Crypto-Jews and the World Maritime Empires* (Leiden, 2002); Sarah Abraveya Stein, *Plumes: Ostrich Feathers, Jews, and a Lost World of Global Commerce* (New Haven,

monographs in Jewish economic history with ambitious, synthetic aims certainly stop short of “master narrative.”²¹

Sombart’s impact works differently on essentialists and contextualists. The contextualist reticence to essentialize Jewish economy also manifests as a methodological aversion to large economic categories, based on the premise that it is better to restrict investigation to narrow slices of “economic life.” Any discussion of “capitalism” as a system would potentially require a definition of capitalism, which might in turn demand an account of “capitalist development”—in other words, a grand narrative. From this standpoint, to discuss capitalism except in the loosest, broadest terms is already to flirt with “essentialist explanations.”²² At the other pole, the fear is not that a master narrative will emerge but rather that scholarship will fail to substantiate its generalizations. As Karp notes in his critique of Sombart and Slezkine, it is the “manner” of these works, not necessarily their aims, that lends unfortunate credence to the contextualist aversion to grand theory.

Like the contextualists, Karp sees the polemical focus on capitalism as part of the problem with Sombart. A more “neutral” way of framing the issue, he contends, would be to ask: “‘Can economic history date the inception of Jewish modernity?’”²³ Karp’s answer is, broadly, “no,” since he views much economic history as captive to a misperception that the Industrial Revolution and productive agricultural labor, rather than innovation in forms of commerce and exchange (areas in which European Jews were engaged), constitute the privileged form of economic modernization. This misperception, in turn, has its roots in political economy and

Conn., 2008); Glenn Dynner, *Yankel’s Tavern: Jews, Liquor, and Life in the Kingdom of Poland* (Oxford, 2013); Hasia R. Diner, *Roads Taken: The Great Jewish Migrations to the New World and the Peddlers Who Forged the Way* (New Haven, Conn., 2015); Adam Mendelsohn, *The Rag Race: How Jews Sewed Their Way to Success in America and the British Empire* (New York, 2016); Adam Teller, *Money, Power, and Influence in Eighteenth-Century Lithuania: The Jews on the Radziwill Estates* (Stanford, Calif., 2016).

21. See, e.g., Eli Lederhendler, *Jewish Immigrants and American Capitalism, 1880–1920: From Caste to Class* (Cambridge, 2009); Francesca Trivellato, *The Familiarity of Strangers: The Sephardic Diaspora, Livorno, and Cross-Cultural Trade in the Early Modern Period* (New Haven, Conn., 2012); Cornelia Aust, *The Jewish Economic Elite: Making Modern Europe* (Bloomington, Ind., 2018).

22. Perhaps in line with this view, there is no entry for “capitalism” in *Purchasing Power’s* index. Note however that this is not the case for Kobrin’s other collection, *Chosen Capital*, perhaps owing to its focus on the United States.

23. Karp, “Can Economic History Date the Inception of Jewish Modernity?” in *The Economy in Jewish History*, 25.

the history of economic thought, which in the eighteenth and nineteenth centuries embraced the labor theory of value and thus inevitably veered toward Karl Marx's "theory of industry and factory production as the apotheosis of 'commercial society,' [Adam] Smith's final stage of historical development."²⁴ Bias in favor of industrial production and manual labor is also found in eighteenth- and nineteenth-century advocates of the Haskalah and of Zionism, all of whom called for Jewish "productivization" as part of the processes of emancipation and reentering history. But this perception, Karp argues, is "far more [a matter] of subjective mentality and ideology than of objective behavior and social structure [. . .] many of the trends they followed into modernity were already in place and continuous with the Jews' premodern economic profile."²⁵

Karp's turn to political economy, which he has elsewhere described as concerned with "the problem of how to conceptualize the role of economy in the ordering of political relations," is a pivotal one.²⁶ The term "political economy" harkens back to a time before professional "economics" split off into its own dedicated sphere; in this broad sense, even Karl Marx's "critique of political economy" counts as an example of the genre.²⁷ Defined in this manner, as theoretical inquiry into economic life that keeps in view its relationships to history and politics, the term "political economy" recovers elements of the old debate between the German Historical School of economics and its English counterpart about the ways that economies are embedded in larger societies and cultures.²⁸ Additionally, however, this term registers an important caution, emphasized by

24. Karp, "Can Economic History Date the Inception of Jewish Modernity?" 34–35.

25. Karp, "Can Economic History Date the Inception of Jewish Modernity?" 33–34. On this basis, Karp is strongly critical of one of the founding works of the renewed interest in Jewish economic history in the late twentieth century, namely, Jonathan Israel, *European Jewry in the Age of Mercantilism, 1550–1750* (Oxford, 1985).

26. Karp, *Politics of Jewish Commerce*, 13. Karp also does important work in the contextualist mode. See, e.g., his essay "Blacks, Jews, and the Business of Race Music, 1945–1955," in *Chosen Capital*, 141–67.

27. For a contemporary economist who groups Smith, Ricardo, and Marx together into a classical tradition of political economy, see Anwar Shaikh, *Capitalism: Competition, Conflict, Crises* (New York, 2016). A similar rhetorical turn can be found in Thomas Piketty, "Toward a Reconciliation between Economics and the Social Sciences: Lessons from *Capital in the Twenty-First Century*," in *After Piketty: The Agenda for Economics and Inequality*, ed. H. Boushey, J. B. DeLong, and M. Steinbaum (Cambridge, Mass., 2017), 544.

28. Keith Tribe, *Governing Economy: The Reformation of German Economic Discourse, 1750–1840* (Cambridge, 1988).

economic historians like R. H. Tawney and Karl Polanyi: that to adopt the framework of the autonomy of the economic sphere without critical interrogation begs the question of the relative novelty of the very concept of “the economy,” to say nothing of capitalism as a historically novel species of it.²⁹ Both the essentialist and contextualist poles of Jewish economic history risk anachronism, whether they explicitly assert Jewish economic continuity (as essentialists frequently do), or implicitly support it (as I argue contextualists do). Making this argument will entail delineating why I think there is no need to substitute “economic modernity” for the term “capitalism,” and why we are not required to pit “production” against “exchange” in conceptualizing what is distinct about the past few centuries economically. I believe the turn to political economy is salutary and could lead us toward renewed consideration of the possibility of a watershed Jewish economic transformation akin to the ones experienced in politics, religion, and culture.

THE GREAT TRANSFORMATION: CAPITALISM

Essentialists and contextualists both argue in ways that diminish or eliminate the relevance and power of “capitalism” as a category. Essentialists, explicitly positing continuity, assert that Jewish economic life prior to modernity was already characterized by traits later seen as typical of modernity, e.g., fluidity, dynamism, and adaptability. From this standpoint, change—even change acknowledged as radical, such as that represented by the Industrial Revolution—is purely quantitative (opportunities to express these traits increase). Qualitative change would stem from realms outside the purely “economic,” e.g., political barriers to Jewish economic activity are removed. This, however, usually resolves back into quantitative change, as more opportunity simply means more chances to express the previously existing traits of fluidity, dynamism, and adaptability. Contextualists do not intend to assert any grand narrative at all and assiduously try to avoid doing so. Yet their methodology, insofar as it eschews large scales and abstraction, implicitly denies the relevance of capitalism (a logically abstract, large-scale, dynamic process, or “system”) as a category.

The term “capitalism” was coined to serve particular purposes and later deployed to serve others. Thus there are as many definitions of “capital-

29. Tawney, *Religion and the Rise of Capitalism*, 20–22. For a similar formulation of methodological caution from the opposite end of the political-economic spectrum, see Joseph Isaac Lifshitz, *Judaism, Law, & the Free Market: An Analysis* (Grand Rapids, Mich., 2012).

ism” as there are of “socialism,” “liberalism,” and “democracy.” Capitalism has been equated with free markets for goods and services (as opposed to central planning), with private property (as opposed to public ownership of the means of production), with the accumulation and investment of capital (as opposed to slow-growth or no-growth economies), with industrial manufacturing (as opposed to the carrying trade), and so on. Frequently, capitalism goes completely undefined, being used as a stand-in for economic modernity as opposed to whatever came before (“feudalism,” “mercantilism,” or monopoly licensure).³⁰ Recently, however, the term has been the object of renewed attention in some U.S. history departments, under the banner of the so-called New History of Capitalism.³¹ My main purpose in what follows is to provide a sense of the stakes involved in deciding whether to operate with such a definition.³² At stake,

30. There are certainly scholars outside Jewish studies who are interested in defining capitalism. For example, Larry Neal and Jeffrey Williamson offer a fourfold definition that emphasizes private property rights, a legal environment supportive of contracts, markets responsive to prices, and supportive governments; see *The Cambridge History of Capitalism*, vols. 1–2, ed. L. Neal and J. G. Williamson (Cambridge, 2014). The first volume of the *Cambridge History* is subtitled *The Rise of Capitalism: From Ancient Origins to 1848*. However, this idea of “ancient origins” for capitalism—a concept made possible by their definition—provides the ground for the sharply critical and in my view accurate review of Peter Temin, “The Cambridge History of ‘Capitalism,’” *Journal of Economic Literature* 53.4 (2015): 996–1016. A useful survey of definitions of capitalism can be found in Jürgen Kocka, *Capitalism: A Short History*, trans. J. Riemer (Princeton, N.J., 2016), 1–24. Kocka’s own definition stresses private property rights, markets, and capital accumulation in such a way that pre–sixteenth-century merchants can be portrayed as engaging in “merchant capitalism” even if the economy as a whole is not a capitalist economy.

31. This essay is not intended to advocate for Jewish studies to embrace the New History of Capitalism, per se, as that cluster of work has largely *not* been concerned with defining capitalism. Nonetheless, it is a recent academic trend that has received comparatively unusual attention from nonhistorians; see Jennifer Schuessler, “In History Departments, It’s Up with Capitalism,” *New York Times*, April 6, 2013. For a more scholarly appreciation of the subfield, see Jeffrey Sklansky, “The Elusive Sovereign: New Intellectual and Social Histories of Capitalism,” *Modern Intellectual History* 9.1 (2012): 233–48. And for a representative collection, see *American Capitalism: New Histories*, ed. S. Beckert and C. Desan (New York, 2018). It is well beyond the scope of this essay to discuss appreciations and critiques of this subfield or to go into detail on its interest for Jewish studies, but see the brand-new journal *Capitalism: A Journal of History and Economics*, launched as this essay was being prepared for publication.

32. A good account of the stakes in a parallel case can be found in David Engel, “Away from a Definition of Antisemitism: An Essay in the Semantics of Historical Description,” in *Rethinking European Jewish History*, ed. J. Cohen and

first, is ideological self-awareness—a greater knowledge of one’s purposes and the ends one is serving—and second, the distortions of history that can result when such awareness is lacking.

Since the nineteenth century, economic historians have debated the nature and provenance of economic modernity, analyzing whether capitalism could be found in contexts prior to what most viewed as the late-medieval and early modern rise of capitalism in Western Europe.³³ These debates typically turned on whether some specific feature of modern economic life had existed in some particular premodern economic context. The underlying assumption was that if ancient/early medieval Western or indigenous non-Western economies could be shown to have feature X (say, the use of paper money, or long-distance trade in bulk grains), then feature X might be a universal and perennial characteristic of economic life. This conclusion, in turn, could then be read in two ways: either perennial feature X must be excluded from the essential definition of capitalism (since capitalism, however defined, is also by definition historically specific to modernity), or, alternatively, perennial feature X’s very trans-historical existence shows that capitalism is not historically specific to modernity. Either conclusion presents major risks of question-begging and circularity, and one can understand why the difference may have seemed semantic to some.

By 1922, R. H. Tawney had noticed a tendency to avoid the concept of capitalism altogether, even denying the existence of any such thing.³⁴ In this view, capitalism was simply a bundle of perennial human activities, such as production and exchange. There was nothing distinctive about the modern forms of these activities, other than their accelerated pace, increased sophistication, and more advanced technology. As the intellectual historian Jerry Muller puts it, echoing the sociologist Georg

M. Rosman (Oxford, 2009), 30–53. I resolve my discussion in a different way from Engel, with a recommendation to use rather than avoid the overdefined term.

33. For a good summary of the version of this debate that took place from the 1860s to the 1920s, often known as “the *oikos* debate,” see Harry W. Pearson, “The Secular Debate on Economic Primitivism,” in *Trade and Market in the Early Empires*, 3–11. For a summary of the version of the debate associated with post-World War II scholarship, often known as the “formalist vs. substantivist” debate, see Richard Hodges, *Primitive and Peasant Markets* (Oxford, 1988). The *oikos* debate focused primarily on the use of money; the formalist vs. substantivist debate on the contrast between the mere existence of markets vs. the existence of a “market society.”

34. R. H. Tawney, “Preface to the 1937 Edition” of *Religion and the Rise of Capitalism* (London, 2015), vii.

Simmel, “There is no historical ‘break’ that marks the beginning of modern capitalism. Rather, modern capitalism is an intensification of processes of exchange that have been going on for a very long time.”³⁵ People have always bought, sold, and bartered; they have always borrowed, lent, and invested; they have always sought profit and sought to avoid loss. To call this bundle of natural, necessary activities *capitalism* suggests a possibility that people might do otherwise, which is tantamount to proposing a new kind of human being (as, indeed, many communist activists did). Such a proposal must be utopian, absurd, sinister, or all three. The likelihood of sinister consequences is all the greater if criticism of capitalism, as Muller asserts, frequently amounts to little more than a disguised form of the classical Greco-Christian anathema against usury, a line of thinking that has had murderous consequences for Jews.³⁶ Rather than constituting a historically determinate system, this view prefers to see modern forms of “economic activity” simply as the latest developments in a perennial economic sphere of life.

There are strong reasons to push back against this perennialist line of thought. An initial cause for suspicion is its perfect ideological fit with the modern, liberal-democratic socioeconomic milieu from which it emerges. As Karl Polanyi argued in his controversial 1944 work, *The Great Transformation*: “Economic liberalism labored under the delusion that its practices and methods were the natural outgrowth of a general law of progress. To make them fit the pattern, the principles underlying a self-regulating market were projected backward into the whole history of human civilization. As a result the true nature and origins of trade, markets, and money, of town life and national states were distorted almost beyond recognition.”³⁷ In other words, for Polanyi, liberal histori-

35. Jerry Z. Muller, *Capitalism and the Jews* (Princeton, N.J., 2010), 51. I understand Muller to be paraphrasing Simmel approvingly here. The meaning of his use of the prefix “modern” as applied to “capitalism” is indicated by the quantitative term “intensification.” Moreover, Muller summarizes Simmel’s position in terms that he also uses elsewhere in his book to describe his own position: “But for Simmel, this does not make [Jews] marginal to the process of capitalist development (as Weber would suggest) or central to the genesis of capitalism, as Sombart would argue. Rather, it makes the Jews disproportionately successful at a phenomenon that is central to the modern world, and, on the whole, to be welcomed.” Muller, *Capitalism and the Jews*, 53; 1–3.

36. This is the thesis of Muller’s essay “The Long Shadow of Usury,” in *Capitalism and the Jews*, 15–71. Note that he is referring to articulated intellectual critiques of capitalism, not necessarily the raw reactions of those undergoing social upheaval.

37. Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time* (Boston, 2001 [1944]), 280. The title of this essay and this section are

ans were ideologically committed to a view of free-market economic activity as a kind of default setting, embedded in the nature of humanity. Although Polanyi does not use this term, we might describe such an approach as “methodological liberalism,” in parallel to the “methodological nationalism” that has been subjected to critique by historians opposed to the naturalization of contemporary concepts of nationhood and the nation-state.³⁸

Looking back on millennia of economic life in which capitalism seems absent presents fundamental challenges to methodological liberalism—unless these apparently alien societies and cultures are interpreted as somehow already containing capitalism in embryo. Thus, liberals are inclined to point to any instances of buying and selling as “ancient capitalism,” even if these instances do not add up to a fully developed market society. Developing Polanyi’s critique further, and in part against him, Ellen Meiksins Wood has called this understanding of history the “commercialization model”: “The most common way of explaining the origin of capitalism is to presuppose that its development is the natural outcome of human practices almost as old as the species itself, which required only the removal of external obstacles that hindered its realization.”³⁹ This model holds that wealth, traditionally accumulated in small amounts according to business acumen, luck, and frugality, was eventually, thanks to accounting and technological breakthroughs, able to permit substantial investment in large enterprises (to become “capital”). At that point, governments and aristocrats tried to harness and control its investment for themselves, until the greater wisdom of free trade prevailed and gave rise

references to this book, which is not to say that I endorse all of its substantive conclusions or even its theoretical approach. Nor can I summarize seven decades of robust debate and Polanyi scholarship here in order to illuminate exactly what is living and what is dead in Polanyi. For my purposes, Polanyi is a talisman: he represents the idea of drastic political-economic change as rupture, occurring first with the rise of liberal “laissez-faire” capitalism and then again with its restructuring in twentieth-century state-centric models. And he represents an attempt to illuminate the cultural and intellectual effects of this rupture on scholars who attempt to chronicle it from within.

38. For an influential critique of methodological nationalism, see Andreas Wimmer and Nina Glick Schiller, “Methodological Nationalism and Beyond: Nation-State Building, Migration and the Social Sciences,” *Global Networks* 2.4 (2002): 301–34.

39. Ellen Meiksins Wood, *The Origin of Capitalism: A Longer View* (London, 2002), 11. Wood sees Polanyi himself as ceding too much ground to the commercialization model in his account of the relationship between technological change and the rise of capitalism.

to liberal, free-market societies. The fact that liberal societies produce liberal theories is not in and of itself surprising, but it does call for a sober skepticism of ways in which a lens so closely tied to contemporary society may be inadequate to the past.

Polanyi's warning against methodological liberalism has not been taken up in contemporary Jewish economic histories. Perhaps this is unremarkable, given the largely contextualist mood of the field, which prefers to avoid debates about the nature or rise of capitalism. And yet to neglect this perspective—even for purposes of refutation—creates a strange paradox, whereby historians who are ordinarily hyper-wary of generalizing across contexts, and hyper-sophisticated about the dangers of anachronism and the application of contemporary scholarly categories to the past, think nothing of employing the language of modern economic discourse, from recent coinages like “transaction costs” and “human capital” to fundamental terms like “market mechanism,” “economic freedom,” and even “the economy,” which are foreign to their sources. Indeed, the specialized language and concerns of behavioral and “new institutional” economists, including Ronald Coase, Avner Greif, Douglass North, Oliver Williamson, and Elinor Ostrom, are cited with increasing frequency in Jewish economic histories as though they constituted a neutral toolbox.⁴⁰

On the essentialist pole, meanwhile, where grand narrative is not disavowed, recourse to the commercialization model is often explicit, justified by means of a contrast to Marxism and the labor theory of value. As mentioned earlier, Marx is seen as representative of a wider trend, encompassing figures from Adam Smith to the “productivization” activists of the Haskalah, which valorizes productive (manual) labor and sees profit from commerce and finance as less worthy or even exploitative and illegitimate. This interpretation underlies Karp's critique of Jonathan Israel and is expressed well in Muller's description of the ways in which Jewish history has suffered under “the long shadow of usury,” a Greco-Christian scholastic legacy of hatred for any profit-taking that does not emerge from physical labor.⁴¹ A prime example of this legacy is often located in Marx's 1844 essay “On the Jewish Question,” which Karp reads as claiming that “man's original sin is defined as his negation of that

40. Trivellato, *The Familiarity of Strangers*, 4; 12–13; Kobrin and Teller, “Purchasing Power,” 15–17; Teller, *Money, Power, and Influence in Eighteenth-Century Lithuania*, 17–18.

41. Muller emphasizes Marx's own appreciation of “how much he shared with the pre-Enlightenment critique of commerce”; *Capitalism and the Jews*, 43. Commonly cited in such discussions is Jacques Le Goff, *Your Money or Your Life: Economy and Religion in the Middle Ages*, trans. P. Ranum (New York, 1990).

which is most truly human, creative labor."⁴² As for the later Marx, his silence on the Jews is linked to his transition from seeing capitalism as defined by commerce and exchange to seeing it as defined by production and industry, while his scholastic tendencies are seen as carried forward to his distinction in *Capital* between use-value and exchange-value.⁴³

This indictment of a scholastic Marx, in the service of a commercialization model of economic history, cannot defend the commercialization model from critique. Minimally, liberals need to justify historically their use of liberal economic categories when writing about the past, lest they assume the existence of what needs to be explained and as a result negate the very historical specificity with which they claim to be concerned. Furthermore, there are strong grounds for thinking that this is not the best reading of Marx. It is, to be sure, widespread, cutting across political divisions; many Marxists as well as non- and anti-Marxists have adopted it. However, it is far from the only available persuasive reading. Others focus on Marx's late critique of the "so-called primitive accumulation" assumed by classical political economy. Capital, according to Marx, is not simply wealth reinvested on larger scales. Rather, it is a distinct and unique social relation, which differs qualitatively from the previous forms of social relation in Europe. This qualitative distinction does not simply emerge when a certain level of accumulation is reached but involves a transformation of the social order, well prior to the emergence of manufacturing and industry.⁴⁴

This reading of Marx undergirds Wood's definition of capitalism: "a system in which goods and services, down to the most basic necessities of life, are produced for profitable exchange, where even human labor-power is a commodity for sale on the market, and where all economic actors are dependent on the market."⁴⁵ That last clause is key: economic actors do not simply take advantage of opportunities but rather are compelled to obey "dictates" of the capitalist market, in particular "com-

42. Karp, *Politics of Jewish Commerce*, 255.

43. "Capital expanded upon Marx's earlier ideas, without altering them fundamentally. The book's argument rests on the labor theory of value. And the labor theory of value asserts that capital is fundamentally unproductive." Muller, *Capitalism and the Jews*, 43. Cf. Penslar, *Shylock's Children*, 275, n. 133; Karp, *Politics of Jewish Commerce*, 256–58.

44. Wood, *Origin of Capitalism*, 35. For Wood, even the early Marx himself works within the commercialization model, insofar as he sees the primary elements of capitalism already present within feudalism. But the point here is that Marx does not merely emphasize industrial production rather than exchange in his account of what is new about capitalism.

45. Wood, *Origin of Capitalism*, 2.

petition, accumulation, profit-maximization, and increasing labor-productivity."⁴⁶ For Wood, this means that "commercial profit-taking" is not the same as "capitalist accumulation," and "transhistorical processes of technological development" do not automatically generate "the specific capitalist drive to improve labor productivity."⁴⁷ One need not fully adopt her historical claim that capitalism per se emerges in sixteenth- and seventeenth-century England, when producers of food, and particularly bread, become market-dependent in a historically unprecedented way, in order to see the potential benefits for Jewish studies of postulating her qualitative definition of capitalism.⁴⁸ For example, in her account, capitalism is not reducible to commerce and trade. This has implications for how we narrate the economic history of the Middle Ages and early modernity, especially with respect to common tropes of Jewish-Christian difference on matters of law and economics.⁴⁹

Moishe Postone presented a different but allied interpretation. According to him, Marxists and anti-Marxists alike have failed to understand that Marx sees capitalism as "a new, increasingly abstract form of social domination—one that subjects people to impersonal structural imperatives and constraints that cannot be adequately grasped in terms of concrete domination (e.g., personal or group domination), and that generates an ongoing historical dynamic."⁵⁰ The implications of this reading are extensive. For starters, it means that labor is the target, not the standpoint, of Marx's critique: "His focus on labor in capitalism does not imply that the material process of production is necessarily more important than

46. Wood, *Origin of Capitalism*, 7.

47. Wood, *Origin of Capitalism*, 69.

48. Many Marxist and "world-systems" theorists, as well as liberal economic historians, would argue that Wood underplays the role of the Italian city-states and the Dutch Republic; cf. Giovanni Arrighi, *The Long Twentieth Century: Money, Power, and the Origins of Our Times* (London, 2010), who sees cycles of capitalist accumulation reaching back to fourteenth-century Genoese merchants. Other scholars have argued that English agriculture began to move away from subsistence and toward cash crops and sale already in the thirteenth century; Michael M. Postan, "Medieval Agrarian Society in Its Prime," in the *Cambridge Economic History of Europe* (2nd ed.; New York, 1966), 593.

49. Recently on this topic, and in my view already indispensable, is Julie L. Mell, *The Myth of the Medieval Jewish Moneylender* (New York, 2017). If it receives the attention it deserves, this book will upend much conventional wisdom (see review by Flora Cassen, this issue of *JQR*). This does not mean that Mell adopts the perspective on defining capitalism advocated here.

50. Moishe Postone, *Time, Labor, and Social Domination: A Reinterpretation of Marx's Critical Theory* (Cambridge, 1993), 3–4.

other spheres of social life. Rather, his analysis of labor's specificity in capitalism indicates that production in capitalism is not a purely technical process; it is inextricably related to, and molded by, the basic social relations of that society.⁵¹ In fact, Marx harshly criticizes the very "productivist" paradigm to which he is portrayed as adhering. Similarly, Postone argues that early misreadings of Marx as productivist have led to a deep misunderstanding of his labor theory of value. In effect, Marx is being read as though he were Ricardo, even though he critiqued Ricardo's conception of labor as transhistorical: "the bourgeois form of labor is regarded by Ricardo as the eternal natural form of social labor."⁵² In other words, not only is the "labor" in Marx's labor theory of value *not* restricted to industrial labor or even manual labor, it *is* restricted to labor specifically as it exists in capitalism. It does not designate a transhistorical philosophical category, such as "the productive human interaction with nature." By the same token, "value" too has been systematically misunderstood, in this Ricardian way, to refer to material wealth or prices, and has been embraced and critiqued on this basis. But Marx intends his category of value to refer to a form of wealth specific to capitalist society, and not equivalent to material wealth: "the self-mediating dimension of commodities."⁵³ Eugen Böhm-Bawerk's critique of the labor theory of value, frequently invoked in depictions of Marx as a scholastic, is thus doubly beside the point—addressing a concept of labor Marx opposes and a concept of value he doesn't use. Although Postone dates the emergence of capitalism earlier than does Wood, he is equally insistent on its historically determinate character.

I have presented this brief point-counterpoint on the "scholastic Marx" because this image represents, as I think Polanyi would argue, an uninterrogated element of the ideologically liberal way in which contemporary Jewish economic historians have embraced the commercialization model of the origins of capitalism. Accounts have been settled with Marx, it seems, on the wrong terms. Whether they weave a grand narrative or focus on particular markets, practices of exchange, and interactions between trade and political power, historians speak of a transhistorical "economic sphere" of life, the content of which may change with techno-

51. Postone, *Time, Labor, and Social Domination*, 16.

52. Marx, *A Contribution to the Critique of Political Economy*, trans. S. W. Ryazan-skaya (Moscow, 1970), cited in Postone, *Time, Labor and Social Domination*, 55.

53. "Value, then, is measured not in terms of the particular objectifications of various labors, but in terms of what they all have in common, regardless of their specificity—the expenditure of labor." Postone, *Time, Labor, and Social Domination*, 188–89.

logical progress, but the form of which is taxonomically stable. As a result, “capitalism” is deprived of its determinate contours as a category and retained only as a convenient shorthand for modern economic activity.⁵⁴ If, however, we attend to Wood’s and Postone’s emphasis on factors of capitalism that are historically determinate, we will be more likely to see it as a social form rather than a purely economic one, and to see its economic specificities (such as market-dependence) in sharper relief. This is not just a matter of understanding markets as embedded in societies, as Polanyi argued. Understanding capitalism as historically determinate also means rejecting the ahistorical projection of liberal economic categories, drawn from the ideological repertoire of capitalist modernity, backward into history as if they operated unchanged, qualitatively, from medieval times to the present day. Avoiding perennialism is especially important when dealing with biblical and rabbinic texts, or with Jewish life in antiquity and in the medieval era.

JEWES AND ECONOMIES VS. JUDAISM AND POLITICAL ECONOMY

Where economic history concerns itself with “Jews” and “economies,” ethicists address “Judaism” and “economics.” Concurrently with the renewed Jewish economic history literature, a new genre of constructive, interpretive ethical works has emerged that relates Jewish textual traditions and practices to a range of economic issues, against the background of social justice activism or business ethics.⁵⁵ These works seek to draw out historical, ethical, and legal connections between classical Jewish sources (primarily rabbinic texts) and contemporary economic theory. In the remainder of this

54. Adam Teller acknowledges that “for the vast majority of their history Jews lived and worked in socioeconomic settings that were neither capitalist nor in transition to capitalism.” His monograph emphasizes the integral role of monopoly rather than free trade. Nonetheless, Teller offers a contextualist rejection of what he sees as a predominant focus on “questions of economic modernization as well as the accommodation of the Jews to the capitalist system,” for examples of which he cites Muller, among others. Teller’s observation about the vast majority of Jewish history is certainly in tension with Muller’s perennialist argument, but the conflict turns on much more than simply an alternative choice of focus. To clarify the stakes, we would need to know more about how Teller relates to the commercialization model. But this is just what he wants to avoid. See Teller, *Money, Power, and Influence*, 4; 171–72; 203, n. 5.

55. Meir Tamari, *With All Your Possessions: Jewish Ethics and Economic Life* (New Milford, Conn., 2014); Jill Jacobs, *There Shall Be No Nedy: Pursuing Social Justice through Jewish Law and Tradition* (Woodstock, Vt., 2010); Aaron Levine, *Economic Morality and Jewish Law* (New York, 2012).

essay, I illustrate one potential application of the critical political economy perspective developed so far by focusing on *The Oxford Handbook of Judaism and Economics* (2010), which primarily consists of constructive ethical essays by trained economists knowledgeable in Jewish sources.⁵⁶

The essays in the *Oxford Handbook* fit into a common tendency in modern Jewish thought, in which one encounters claims such as this one: “[YHVH] makes known His will first of all as constitution—not constitution of cult and custom only, also of economy and society.”⁵⁷ In the footsteps of Samson Raphael Hirsch, generations have claimed that Judaism is a “nation-religion,” and as such it could not be content to exist “merely” as religion but rather must seek to embrace all of life, including the social, political, and economic structures within which daily life takes place.⁵⁸ Although this claim, in thinkers such as Hirsch or Martin Buber, is clearly normative and theological, it finds frequent echoes in academic scholarship, as for example when Neusner writes that “Judaism, a world construction, encompasses all subjects that pertain to the life of an entire nation and society.”⁵⁹ It is relatively rare, however, to see this ideology of pervasiveness actually applied in detail to economic issues, whether by ethicists or historians. On the ethical side, as Meir Tamari puts it, “Jews and non-Jews alike frequently disassociate Jewish economic behavior from the practices of Judaism and its ethical and moral codes. It is as though the Jew has been living an economic existence divorced completely from his religious and cultural milieu.”⁶⁰ Whereas for historians, humanities methodologies recommend skepticism of any claim that Jewish economic behavior represents the teachings of “Judaism” at all.⁶¹ To cite Neusner again: “Nor do we know how Judaism has affected Jews’ economic behavior, if indeed, the role of ideology, or theology, in economic action in general has been conceded or even clarified.”⁶² Jewish economic history frequently emphasizes that it is about Jews, and not Judaism; about action, not ideas.

56. Aaron Levine, ed., *The Oxford Handbook of Judaism and Economics* (New York, 2010). Henceforth *OHJE*.

57. Martin Buber, *Kingship of God*, trans. R. Scheimann (Amherst, Mass., 1990), 119.

58. For further discussion of this trend of thought, see Samuel Hayim Brody, “Political Economy as a Test of Modern Judaism,” *Religions* 10.2 (2019): 78–88.

59. Neusner, *Economics of the Mishnah*, ix.

60. Tamari, *With All Your Possessions*, 1.

61. For example, many scholars would agree that “whatever the reason, for western Sephardic Jews, economic life was disconnected from the halakhah.” Penslar, *Shylock’s Children*, 60.

62. Neusner, *Economics of the Mishnah*, xii–xiii.

The *Oxford Handbook*, however, joins Tamari and Jewish economic ethics in doing the opposite. The *Handbook* contains thirty-three essays, divided into seven sections, on a wide variety of economic issues, from information asymmetry to credit default swaps, inflation to e-commerce, coinage mentioned in the Talmud to the ethics of contemporary communal investment. Typically, the essays begin with texts from the Torah, Mishnah, and Babylonian Talmud and move on to responsa of the *rišbonim* and *aḥaronim*, finally bringing in elements of contemporary economic theory. Editor Aaron Levine writes that “the major theme of this volume is to what extent Jewish law accommodates and even enhances commercial practice today and in societies of the past. One aspect of this work is to show the positive contribution Jewish law makes to business ethics and economic public policy. Another facet is to identify the degree to which Jewish law accepts [. . .] business practices based on the prevailing laws and customs of secular society.”⁶³ It is clear that “Jewish law” will stand in for “Judaism” here, and that “commercial practice,” “marketplace conduct,” and “business ethics” compose the “economics” half of the title. This conception of the project foregrounds individual conduct, which is judicable and allows halakhah to dominate, rather than theoretical or theological reflection on the embeddedness of economic relations in a larger political or even religious order. Even in the absence of such reflection, however, theological claims are made; the fact that rabbinic legal materials deal extensively with commercial transactions frequently encourages ex cathedra pronouncements that “as a religion, Judaism generally has no problem with the notion of a competitive marketplace” or that “Judaism is averse neither to material wealth, nor to the profit motive, nor to the working of the marketplace.”⁶⁴ In these statements, the “markets” of second-century Roman Palestine or fifth-century Babylonia transition smoothly into “the marketplace” of contemporary global capitalism.

The essays frequently read the sources as approximating neoclassical economic theory, or even prefiguring it, so that the “underlying principle” of some biblical or rabbinic law turns out to be “economic efficiency as seen from a social welfare point of view.”⁶⁵ Some of the essays identify

63. Levine, introduction to *The Oxford Handbook*, 8–9.

64. Levine, introduction to *The Oxford Handbook*, 15; Jonas Prager, “‘Know before Whom You Stand’: Trust, the Marketplace, and Judaism,” in *The Oxford Handbook*, 313.

65. Jacob Rosenberg, “Optimal Precautions and the Law of Fire Damages,” *OHJE*, 167; Asher Meir, “Principles of Ethical and Communal Investment in Judaism: A Jewish Law Approach,” *OHJE*, 292.

particular passages of canonical Jewish texts as exemplifying “a rich source of insightful economic thinking.”⁶⁶ Even when explicitly dedicated to modern topics, the possibility of anachronism stemming from changes in macroeconomic conditions over time appears only in passing expressions of bewilderment. For example, one writer expresses dismay that a borrower and lender who both consent to a transaction with an interest payment would nonetheless be prohibited by Halakhah from doing so:

Clearly, this marketplace phenomenon engenders the same positive economic consequences as does any noncoercive agreement that is presumed to be characterized by a win-win outcome. Moreover, interest rates play a critical role in economic theory as an allocator of capital and, in macroeconomics, as a broad-based determinant of investment. *And yet*, both biblical law and rabbinic law prohibit any payment of interest.⁶⁷

In its final two sections, the volume comes into its closest contact with academic Jewish studies. Coins and money are considered in the Babylonian and Sasanian economic contexts, and the history of American Jewry is examined through the lens of its economic profile. These essays employ less formal economic modeling, more attention to realia, and more contextualization of ancient texts. For example, Lawrence Schiffman argues that rabbinic discussions of *kinyanim* (acts of legal acquisition) reflect an assumption that “the original form of acquisition was barter,” while Laurence Rabinovich claims that we may have to revise the understanding in the rabbinic sources that transactions reported in the Hebrew Bible involved coinage.⁶⁸ Overall, however, the volume is reluctant to critically assess its own vocabulary.⁶⁹

66. Yehoshua Liebermann, “An Extended Talmudic Search Model,” *OHJE*, 145; Jeffrey L. Callen, “Risk and Incentives in the *Ioka* Contract,” *OHJE*, 99.

67. Prager, “Trust, the Marketplace, and Judaism,” *OHJE*, 317. My italics. Cf. the claim that “*astonishingly*, Jewish law views both a buyer who pays interest and his lender as equally culpable of transgression”; Daniel Z. Feldman, “The Jewish Prohibition of Interest: Themes, Scopes, and Contemporary Applications,” *OHJE*, 241. My italics.

68. Lawrence H. Schiffman, “Talmudic Monetary Theory: Currency in Rabbinic Halakhah,” *OHJE*, 606; Laurence J. Rabinovich, “Coins and Money in Jewish Law and Literature: A Basic Introduction and Selective Survey,” *OHJE*, 565.

69. For example, the claim that “it would seem that Sasanian feudalism was, as to be expected, capitalistic in nature; family-based estates established and ran enterprises that in other systems of government would be done by the government” seems to make “capitalism” a simple matter of a public/private distinction

A qualitatively determinate concept of capitalism can begin to address these shortcomings by noting the primarily legal genre of the *Oxford Handbook* and drawing a comparison to Christianity. Scholars of the relationship between Christian theology and capitalism, like Weber and Tawney, distinguished between the canon law, which discussed trade and usury as a matter between individuals (that is, of torts), and a broader theologically informed stance on the economic structure of society. Until the sixteenth century, according to Tawney, “the Church sees buying and selling, lending and borrowing, as a simple case of neighborly or unneighborly conduct.”⁷⁰ Seeing the social order as static and unalterable, the Church would have no reason to reflect on the connection between these activities and the specific social structure of Europe. “It is natural to ask,” Tawney writes, “what the attitude of religious opinion was toward serfdom,” since any observer of medieval life must acknowledge that “the very essence of feudal property was exploitation in its most naked and shameless form, including, as it did, compulsory labor, additional *corvées* at the very moments when the peasant’s labor was most urgently needed on his own holding, innumerable dues and payments, the obligation to grind at the lord’s mill and bake at the lord’s oven, the private justice of the lord’s court.” Yet we find that “apart from a few exceptional individuals, religious opinion ignored it [. . .] the canon law appears to have recognized and enforced serfdom.”⁷¹ In other words, “usury,” about which medieval Christian writers had a lot to say, was a matter of civil law, judicable in courts royal or ecclesiastical. Serfdom, on the other hand, was the stuff of political economy itself, which lies outside the purview of legal thinking, no matter how “pervasive” religion may be, no matter how “undivided” the spheres.

Halakhah, like canon law, treats of the judicable: torts and trade, rather than economic theory or political economy. But many have inferred from this well-developed legal literature, and its focus on legitimate profit, a spiritual identification with capitalism, in what Kobrin and Teller generously refer to as a “somewhat triumphalist approach.”⁷² *Capitalism and the Jews*, for example, presents contemporary Jewish economic

in ownership; but then, what is feudalism? Yaakov Elman, “Babylonian Jews at the Intersection of the Iranian Economy and Sasanian Law,” *OHJE*, 557.

70. Tawney, *Religion and the Rise of Capitalism*, 66.

71. Tawney, *Religion and the Rise of Capitalism*, 69–70.

72. Kobrin and Teller, “Purchasing Power,” 23. Others have found this “sunny triumphalism, an image of the Jew as a trailblazer of capitalism” already in nineteenth-century bourgeois Jewish apologetics; Penslar, *Shylock’s Children*, 123.

“success” as an achievement with its roots in Judaism itself, since as Muller puts it, “compared to Christianity, Judaism was more favorably disposed toward commerce.”⁷³ And, as noted earlier, Muller frequently interprets intellectual hostility to capitalism, whether romantic/conservative or Marxist in orientation, as ultimately rooted in a Christian-scholastic hostility to commerce, an unnatural attempt to make barren money generate more money without any physical production.⁷⁴ But what if Polanyi and Wood are right that precapitalist merchant middlemen and traders have little to do with the wholesale transformation of the economy inherent in capitalist competition, profit-maximization, and market dependence?⁷⁵ In other words: what if capitalism cannot simply be equated with commerce, finance, or business, any more than Westphalian nation-state sovereignty can be equated with the political theology of kingship?

If Wood is correct, then almost every one of the thirty-three essays included in *The Oxford Handbook of Judaism and Economics* neglects to address the most central economic change of the past thousand years. It is as if a *Handbook of Judaism and Politics* did not distinguish between the relationship of Judaism to politics under conditions of empire vs. nation-states, or in exile vs. sovereignty. This is all the more remarkable given the volume’s ideological proximity to sophisticated religious-Zionist political reflection on the way that halakhah adapts to new circumstances, and on the metahalakhic challenges posed by the very idea of premessianic Jewish sovereignty. As Levine puts it: “The bulk of the contributions for

73. Muller, *Capitalism and the Jews*, 83. Also see Yuri Slezkine, *The Jewish Century* (Princeton, N.J., 2006), which Sutcliffe (“Anxieties of Distinctiveness”) saw as a salutary corrective to the interpretive-synthetic hesitation of Jewish economic history, but which seems to conflate capitalism and commerce in an unhelpful way.

74. Muller, *Capitalism and the Jews*, 17–18; 21.

75. Wood, *Origin of Capitalism*, 77. Cf. Roland Boer, *The Sacred Economy of Ancient Israel* (Louisville, Ky., 2015). Critiquing biblical scholarship that attempts to find “free trade” and “entrepreneurship” in the Tanakh, Boer insists that ancient southwest Asians were subsistence farmers, who reserved what little surpluses they had for short-term security against famine, and denies grounds for imagining long-distance traders employed by royal courts as engaged in comparative advantage-style exchange of bulk goods. These arguments will be familiar to those who know the primitivist-modernist / formalist-substantivist debate in ancient history, pitting Finley (and behind him, Polanyi) against those who saw Greece and Rome as market societies presaging our own to some extent. For a contemporary statement of the latter position, see Peter Temin, *The Roman Market Economy* (Princeton, N.J., 2012).

this volume is aimed at offering direction and even outright prescriptions for marketplace conduct and public policy. These works therefore loosely fall into the branch of Jewish scholarship that is concerned with the application of Jewish law to modern society, popularly called *Mishpat Ivri*—lit. Jewish/Hebrew jurisprudence.⁷⁶ As such, they frequently frame their contributions as evidence that Judaism is, in fact, an all-encompassing system, reaching even to such minutiae as collateralized debt obligations.⁷⁷ Thus, I can only attribute their lack of reflection on political economy to their acceptance of the view that economics is a secular social science dealing with an autonomous sphere of life called “the economy,” attendant to which are a number of perennial problems that naturally accompany the ordinary exercise of universal human behaviors—in other words, methodological liberalism and the commercialization model.⁷⁸

Postulating that capitalism is a distinct historical phenomenon rather than a perennial bundle of activities, by contrast, opens new avenues for the consideration of many of the issues highlighted in the *Handbook*. For example, at least four of its essays center on the halakhah of *ribit*, or interest, while several more raise it in passing. The Christian prohibition on interest often looms large in discourse about Jews and economy, since it serves as a cipher for Christianity’s purportedly hostile attitude to “commerce,” as opposed to the more congenial Jewish attitude. But such discourse rarely deals satisfactorily with the Jews’ own prohibition on interest. As with Christian canon lawyers and Muslim *ulama*, the Jewish decisors (*poskim*) consider innumerable real-life cases of people whose business operations would be hampered by strict observation of the law and try to create legal mechanisms to circumvent the prohibition. Such endeavors seek retrospectively to maintain the relevance of the law by sanctioning an activity that would otherwise make law-breakers out of a whole community. The story of how Jewish legal thinkers struggled with the biblical prohibition on lending at interest has been told by Hillel Gamoran, who argues that already in the time of the tannaim (70–200

76. Aaron Levine, “Acknowledgments” *OHJE*, xxii.

77. The Israeli philosopher Yeshayahu Leibowitz foresaw this challenge in 1947, when he wrote that “the Torah, for all its explicit Mitzvoh, leaves us stranded with the problem of taking a definite political stand on concrete issues.” Leibowitz, “The Social Order as a Religious Problem,” in *Judaism, Human Values, and the Jewish State*, ed. and trans. E. Goldman et al. (Cambridge, Mass., 1992), 148.

78. There is one exception to this rule in the *OHJE*, namely, the short essay by Meir Tamari, “Jewish Ethics, the State, and Economic Freedom,” which presents a condensed version of his earlier work.

CE) the biblical prohibition created problematic restrictions on access to credit, in a new economy in which loans were necessary to carry out more sophisticated enterprises in business and finance.⁷⁹ Thus, the Mishnah sees the first attempts to apply “the usury ban to everyday business transactions, but then found ways, in actuality, to allow the business life of the community to proceed unhampered.”⁸⁰

Even granting that it is not a single-authored work, the *Handbook* seems curiously inconsistent on this history. Discussing the institution of the *‘iska* partnership, intended to circumvent the prohibition on interest and enable capital investment by mandating shared profits and losses between an active and silent partner, writers in the *Handbook* vary when it comes to locating this innovation historically. One writer speaks of “the *better iska*, a mechanism, discussed in the Talmud,” while another writes that “beginning in the Middle Ages, the rabbis developed a legal device that makes it possible to charge interest on commercial loans. The standard *better iska* contract is structured as ‘half loan, half equity’.”⁸¹ A third writer states that “the earliest attempt to overcome this difficulty was that of the sixteenth-century Polish scholar known as R. Mendel Avigdors of Cracow, who composed the earliest version of the *better iska* [. . .] a document that specifies the terms and conditions under which money is advanced by one individual to another. Its legal purpose is to create a partnership arrangement as distinct from a debtor-creditor relationship.”⁸²

Now, we should not make too much of this. To nonhistorians, it is certainly possible to identify the Talmud, the Middle Ages, and the sixteenth century as one period of time. Moreover, we should give these writers enough credit to acknowledge the distinction between the *‘iska* partnership itself and the *beter iska*, a document specifying the terms and conditions of such a partnership and certifying its existence. And finally, I must reiterate one last time that I do not intend to fundamentally chal-

79. Gamoran, *Jewish Law in Transition: How Economic Forces Overcame the Prohibition against Lending on Interest* (Cincinnati, Ohio, 2008). Gamoran’s useful book could benefit from more explicit attention to political economy. For example, is the difference between the economic worlds of the Torah authors and the tannaim really just that “manufacturing and commerce increased” (15)? This would imply that “growth” alone (i.e., endogenous factors) leads to radically unpredictable new situations requiring extensive legal rectification, something that should be argued for as its own premise rather than taken for granted.

80. Gamoran, *Jewish Law in Transition*, 24.

81. Feldman, “The Jewish Prohibition of Interest,” *OHJE*, 253; Daniel Schiffman, “Rabbinic Responses to Rapid Inflation in Israel, 1973–1985,” *OHJE*, 450.

82. J. David Bleich, “Hetter Iska: The Permissible Venture: A Device to Avoid the Prohibition against Interest-Bearing Loans,” *OHJE*, 198.

lenge the “license to de-historicize” of the genres of constructive ethics and jurisprudence. Nonetheless, it seems to me that there is something symptomatic about this lack of precision. For these writers, “economic conditions” may have changed once—in the ancient past, perhaps during the exile or the Persian period—but have not changed again since. Even allowing for intensification, we may wonder why meager ancient growth produced significant tannaitic revisions to the law, while drastic modern intensification seems to have led only to the production of a new document to codify those revisions. R. Mendel’s specific historical location in the sixteenth century does not give rise to any specific questions: Was he responding to a new environment in trade at that time? How did the transatlantic endeavors of northern and western Europe affect his congregation in Poland? Instead, Rabbi J. David Bleich provides this account:

In antiquity, all loans were provident in nature. At some point in human history society found it expeditious to rely upon middlemen to transfer commodities from producer to consumer. Tradesmen require at least a modest amount of capital in order to function in that capacity. Only with the advent of the industrial revolution and the construction of factories for the production of consumer goods did the need for vast amounts of capital arise; only in the modern era does capital represent the most prevalent form of generating more capital.⁸³

The importance attached here to “the modern era” once again takes the form of intensification: more consumer goods, more capital. R. Mendel’s specific time and place drop away, as a narrative about the industrial revolution takes the place of sixteenth-century Poland.

Surely, however, R. Mendel did not foresee the industrial revolution when he developed the *heter iska*. And so, we are left to ask why the prohibition on interest, if indeed it posed a perennial problem for business, would lead to this particular solution in this particular time and place. It is loyalty to historical specificity—to the particular niche occupied by this man and the problems faced by his community—that might lead us to seek a theory that can bring attention to questions of meta-economic transformation, rather than continuity, as a way of accounting for the relationship, over time, between Jews, Judaism, and political economy.

83. Bleich, “Hetter Iska,” 201.

CONCLUSION

My aim in this essay has been to draw attention to an apparent consensus about Jewish economic continuity, in contrast to political, religious, and cultural transformation, and to raise questions about the methodological liberalism undergirding this consensus. Such skepticism holds potential for economic historians, as well as for ethicists, for whom I believe such economic transformation would clear the bar of necessity usually required by ethicists to admit a quantum of historicism into their exegesis. To conclude, it is worth briefly considering the role played by professional, academic economics in contributing to the contemporary consensus on economic continuity. Like many specialized social science fields, economics presents its subject as an autonomous sphere of life. It does this in the first place by default, a tendency of specialization against which interdisciplinary efforts always have to struggle. But it also sometimes does this as a point of ideology, in extreme cases making the claim that its own tools of understanding can and should be successfully applied not just to the economic sphere but to all other spheres as well.⁸⁴ Interestingly, both the discursive and ideological promotion of the autonomy of the economic sphere are currently generating a powerful range of fundamental autocritiques. It is common to see the current mainstream of the profession referred to as an “orthodoxy”; such critiques cover a spectrum from loyal opposition to virulent attack.⁸⁵ Even the mildest of these critiques can seem strong, for example, the argument that while “the profession has made vast strides forward in being able to separate real-world fact from theoretical fiction,” our public life is nonetheless held captive by an “unwavering adherence to simplistic models” drawn from Econ 101, with the effect of “increasing [. . .] or legitimizing the inequality

84. For example, the “economics of religion” attempts to show how religions compete with each other for adherents, like products in a market. See Sriya Iyer, “The New Economics of Religion,” *Journal of Economic Literature* 54.2 (2016): 395–441. For an instance of this genre focusing on Judaism, see Carmel U. Chiswick, *Judaism in Transition: How Economic Choices Shape Religious Tradition* (Stanford, Calif., 2014).

85. Drawing out the metaphorical implications of the term “orthodoxy,” some move fully to the claim that economics has become a religion, with economists as its priesthood: Ha-Joon Chang, front matter, in Joe Earle, Cahal Moran, and Zach Ward-Perkins, *The Econocracy: The Perils of Leaving Economics to the Experts* (Manchester, UK, 2017); Robert H. Nelson, *Economics as Religion: From Samuelson to Chicago and Beyond* (University Park, Pa., 2001). These claims are usually intended to be derogatory and do not involve a particularly sophisticated understanding of religion; their polemical focus is arguments that appear “faith-based” rather than “scientific.”

generated by our economic system.”⁸⁶ Then there is a methodological argument, which sees the increasingly mathematical and abstract genre of economic discourse as excluding from its models the full range of human motivations, in favor of a narrow vision of a hyper-rational actor.⁸⁷ Both of these critiques are compatible with, and in fact endorse, much of the free-market orientation promoted by the mainstream. More radical critiques, however, insist that attempts by behavioral economics, new institutional economics, and other subfields merely to tinker with basic models by accounting for increasing instances of “market failure,” are themselves doomed to fail. Some such critics proudly embrace the label “heterodox” for their own work, and heterodox economics now constitutes a forbiddingly diverse ecosystem of its own.

Jewish studies scholars interested in Jewish history or thought at the intersection of economics must navigate this complex scene. Perhaps the simplest option would be to postulate the consensus of the mainstream for the sake of argument, letting another field steer the conversation by dint of its primary expertise. Few, however, are the historians, sociologists, anthropologists, philosophers, or theologians who would pursue such a course. The methods of our own disciplines usually seem sufficient to us, or else we desire, minimally, to illuminate the potential contributions of our fields to questions on which we assume others might have the first and last word. More importantly, the operating assumptions of these fields predispose their practitioners to be skeptical of the perfectly informed utility-maximizing individual who serves as the model neoclassical economic agent.⁸⁸

Nonetheless, there are facts and situations to which scholars repeatedly

86. James Kwak, *Economism: Bad Economics and the Rise of Inequality* (New York, 2017), 14; 17. Kwak argues that although advanced economists successfully complicate the simplistic models of introductory courses, such nuanced considerations unfortunately fail to capture media attention or political rhetoric.

87. Roderick Floud, Santhi Hejeebu, and David Mitch, introduction to *Humanism Challenges Materialism in Economics and Economic History*, ed. R. Floud, S. Hejeebu, and D. Mitch (Chicago, 2017). This volume collects essays analyzing the work of Deirdre McCloskey, a prominent methodological critic.

88. Historical work adhering to standard economic models typically appears in economics or economic history journals, not necessarily in conversation with academic Jewish studies scholarship. An interesting exception is Maristella Boticini and Zvi Eckstein, “From Farmers to Merchants, Conversions and Diaspora: Human Capital and Jewish History,” *Journal of the European Economic Association* 5.5 (2007): 885–926; cf. Simon Kuznets, “Economic Structure and the Life of the Jews,” in *The Jews: Their History, Culture, and Religion*, ed. L. Finkelstein (3rd ed.; New York, 1960), 2:1597–666.

return that seem to cry out for economic analysis, such as, for example, the thorny issue of Jewish occupational distribution.⁸⁹ Moreover, anti-semitism, wherever it arises, notoriously fixates on the Jewish economic profile. And the logic of specialization seems to suggest that when discussing economic issues, one should at least defer to the greater knowledge of those with more training. These and other factors have led some Jewish studies scholars, primarily historians, to seek answers from corners of economics (usually nonneoclassical ones, thanks to their reservations about the model agent) they consider congenial.

I have proposed an alternate direction for scholars interested in intersections of Jews, Judaism, and economy. While there are certainly insights that can emerge from the adoption of behavioral and new institutional economic methods in Jewish economic history, especially in terms of corrective approaches to modeling the behavior of individuals and groups, we might also consider the possibilities of critically reembracing the old approach of political economy, treating states, individuals, and social relations as mutually imbricated in ways that are dynamic and change with time—sometimes qualitatively. This means reopening the archive of the capitalism debate and attending once more to the possibility that in modern economy, just as in modern politics, Jews—like the rest of the world—have undergone a great transformation.

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89. Botticini and Eckstein, "Jewish Occupational Selection: Education, Restrictions, or Minorities?" *Journal of Economic History* 65.4 (2005): 1–26; Botticini and Eckstein, *The Chosen Few: How Education Shaped Jewish History, 70–1492* (Princeton, N.J., 2012).