

## Rabbi Yosef Kushner

**Question:** We hear a lot in the business world today about morals and business ethics. What exactly is business ethics and how does it manifest itself in the world of halacha?

**Answer:** The subject of business ethics and halacha is a very broad one, but we can essentially summarize it in the following manner. In the outside world, the nature of the legal system is that if an act or type of business conduct is legal, it is totally legal and permissible, and if it is illegal, then it is illegal. The secular legal system has no concept of an act that is legal, such that the court cannot extract money but the person still did something wrong.

On the other hand, in the world of halacha and *Choshen Mishpat*, on the other hand, the situation is more complex. The Torah presents us with rules for *bein adam l'chaveiro* (interpersonal relations) and rules for *bein adam l'makom* (between a person and Hashem), which do not always correspond; the Torah, as Hashem may tell us that something is wrong even if the legal court cannot do not have the right to render a person liable for it.

Therefore, there may be situations where the *beis din* cannot be *motzee mammon* (extract money) from someone as a penalty or payment, but the act itself may be considered an *avla* (injustice) by the halacha. In other words, what the person did was incorrect, but *beis din* cannot enforce it. This notion is essentially the definition of business ethics – something that is morally wrong but not legally wrong, and differentiates the Torah system from every other legal system in the world.

Nevertheless, it has become common in the business world today to question practices that people feel are morally wrong for various reasons, even if they are not always definitely illegal. Although developing a moral code of business ethics is certainly a good thing and should be encouraged, the subject is sometimes more complicated than purely halachic questions, since as opposed to halacha, in the business world there may not be an absolute answer as to what is right and wrong.