

INSIDER TRADING

by Rabbi Daniel Travis

"Remove every lamb that is spotted or streaked, and every sheep that has dark markings. Also remove every goat that is streaked or spotted, and they will serve as my pay." ...Yaakov took wands of fresh poplar, almond, and plane. He peeled white stripes in them by uncovering the white layer under the wands' bark...The animals mated in the presence of the wands and the young they bore were ringed, spotted and streaked. (Bereshith 30:32, 37, 39)

Why did Yaakov deal with Lavan in a way that appeared to be deceptive, rather than just letting Providence deal with Lavan? In truth, Yaakov acted completely honestly, for God had showed

Yaakov via Divine inspiration that the animals would be born with those particular markings.¹ However, the extremely righteous frowned upon benefiting from miraculous circumstances, for they feel that partaking of such compensation in this world could detract from their reward in the World to Come. Therefore Yaakov only made use of natural means so that he would not rely on a miracle.²

Every financial deal involves previous information about the subject involved. Each person's level of knowledge is different, based on numerous factors such as intelligence, research, and insight. The fact that an individual may have been blessed with a greater amount of wisdom than others does not deem his application of this wisdom unfair. This can be applied equally to someone who, because of his lofty spiritual level, merits receiving Divine inspiration. Just because his colleagues have not merited this privilege, that does not make his use of it dishonest.

This may be contrasted to the utilization of undisclosed information which is unknown to the general public. An example of this is "insider trading," using inside information about a company's future profits to make decisions about investing in that particular enterprise. The stock market is founded on the premise that investors are taking a risk that the stock may fluctuate in value. Buying stock on the basis of knowledge - unknown to others - that a company is about to embark on a venture that will cause the stock to rise in value is deceitful and unjust to other potential investors.

In Yaakov's case there were factors which warranted his receiving Divine inspiration. Lavan had changed Yaakov's wages a hundred times,³ and had attempted to cheat him by removing all the adult ringed, spotted and streaked sheep from his flock.⁴ God was merely protecting Yaakov so that he would not be swindled out of the remuneration that was rightfully his.

¹ Ben Ish Chai.

² Bereshith Rabbah 9:43.

³ See Maharil Diskin, 31:41.

⁴ See Daath Zekeinim, 30:37.

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