Positive, Contextual, and Normative Economics

Essentialist

Non-Essentialist

Assumptions, Models, and Conclusions

Positive Economics

What Is
Facts Are Objective



Contextual Economics

What We Think It Is "Facts" Are Subjective

Policies

Normative Economics

What Should Be Value Judgments

Essentialists and non-essentialists think about "facts" and "truth" differently, but they completely agree that policies are always normative. This opens the door to pluralism, making open-minded debates on economic issues possible.