

RM 1-9 Comparing Analytical and Normative Economics

Name: _____

Course: _____

Date: _____

Analytical Economics		Normative Economics
What is the branch of analytical economics based on?		What is normative economics based on?
What is it also known as?		What is it also known as?
Statements Used in Analytical Economics		Statements Used in Normative Economics
Descriptive	Conditional	Value Judgements
Characteristics:		
Specific Example:		
Why is it important to blend analytical and normative economics when dealing with serious matters?		
Determine whether each of the following statements is descriptive, conditional or a value judgement. <ul style="list-style-type: none"> ▪ If income taxes are increased, consumer spending will decrease. ▪ Governments should provide affordable day care for working parents. ▪ Canadian softwood lumber exports to the United States are down 15 percent from last year. 		

- When interest rates rise substantially, some people may not be able to afford their mortgage payments.
- I should pay for worker training if I want my employees to be more productive?