

Normative methodology of positive economics: A critical assessment of the role and the functions of economic methodology.

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Abstract

Economics and economic methodology are two different fields of inquiry in terms of their aims, methods and functions. Since methodology has to follow its science (this is one of the main arguments of this article), the positive-normative distinction, which has vital importance in all social sciences, has different functions in economics and in economic methodology. In economics, positive knowledge is the knowledge about "what is, was or will be". In economic methodology positive knowledge is the knowledge about the scientific activity without taking into account the "demarcation criterion/criteria". Normative knowledge in economics, on the other hand, is the knowledge about "what ought to be" and normative knowledge in economic methodology is knowledge about scientificity of knowledge according to proposed or accepted "demarcation criterion/criteria". Consequently, mainstream economics has 'positive, but mainstream economic methodology has normative characteristics because of the social function of the methodology in general and economic methodology in particular.

1. *Introduction*

Most of the famous introductory textbooks in economics have a discussion on the distinction between positive and normative statements, and then between positive and normative economics, mostly within their first chapters (Lipsey et al. 1993; Henderson and Poole, 1991; McConnell and Bruc. 1993; Samuelson and Nordhaus, 1992). It is suggested that this distinction is very important and has vital function in almost all social sciences, and especially in economics. Moreover, in this context, it is argued that "the success of modern science rests partly on the ability of scientists to separate their views on what does happen from their views on what they would like to happen" (Lipsey et al., 1993: 22) But the function of this positive-normative distinction is not the focus of attention in both textbooks and related methodological literature. The main argument of this article is that methodological discussions in general and in textbooks of a specific scientific discipline in particular (for example, in economics) have some important social functions in legitimising and questioning the process of all kinds of human knowledge construction, including the scientific one, other than their epistemological positions that they pose (Demir. 1992b).

In this article, first, the distinction between economics and economic methodology as two separate

fields of inquiry will be clarified, since methodological problems of economics and their suggested alternative solutions are very different than those of economic methodology. Secondly the difference between the term "method" and "methodology" will be examined. In this context, it can be mentioned that there are many "methodology sciences" in almost all fields of social science as a subdiscipline of that scientific enterprise such as methodology in sociology, political science, history, anthropology and economics. This, it is argued, imposes some functions besides its epistemological ones under different names of methodological attempts. So the role of methodology as a different field of inquiry/discipline in general or as subdisciplines of social sciences will be explored. Thirdly, because of its non-epistemological implications, conception of positive and normative science in the case of economics will be studied. Fourthly, under the "light" of the general methodological discussions within the social science, the methodological framework of economic methodology as a strategic field of inquiry will be delineated. And finally, the paradoxical function of positive-normative distinction in economics and in economic methodology will be clarified.

2. *Positive versus normative economics*

At the beginning of the discussion about economics and economic methodology as two related but distinct fields of inquiry, an important point to be clarified is concerned with the meaning of the term "economics". In this article, the term "economics" is used to refer to the dominant "paradigm" of economic thought, that is, neoclassical (mainstream) economics excluding the alternative ways of thinking in economic literature that have very different starting points, units of analysis, theoretical frameworks and methodological perspectives such as Radical Economics, Law and Economics, Transaction Cost Economics, "Old" and "New" Institutional Economics, etc. Since neoclassical (mainstream) economics is the name of a very large world of knowledge, in order to represent basic and common features, textbooks are considered cornerstones of the "paradigm" to give definitions of the basic concepts.

Economists generally divide economics into two distinct categories as positive and normative economics. Before examining this distinction, something must be said about the definition and the subject matter of economics. The subject matter of economics is, as it is known, economy. The question is, then, what is economy? Economy can then be defined as "a set of interrelated production and consumption activities" (Lipsy et al., 1993: 49). But this definition is not clear enough. Because the world of reality is cluttered with innumerable interrelated facts, it is not so easy to distinguish economic facts from non-economic ones. Furthermore, the implicit assumption of this conception that there is a separate field in human life that can be called "economy" brings about some vital methodological and also epistemological problems. What aspect of human practices locates them in the realm called the "economy", rather than, for example, in the general matrix of social or political life (Heilbroner, 1991: 459; Demit. 1992b: 104).

Economics is a social science "concerned with using scarce resources to obtain the maximum satisfaction of the unlimited material wants of society" (McConnell and Bruc. 1993: G8). Within the framework of this type of definition, economics, as queen of social science, has an imperialist position within contemporary social sciences. Its imperialist power, it is argued, comes from analytic categories such as scarcity, cost, preferences, opportunities which have universal application (Hirshleifer, 1985: 53). The commonly accepted definition of economics has two basic features: scarcity and choice. Scarcity implies that choices must be made, and making choices implies the existence of cost. This brings about "economic problem" that constitutes the main part of the "hard core" of economics.

Positive statements concern "what is", "was", or "will be"; normative statements concern "what ought to be." This distinction about the statement leads to make the distinction between positive analysis and normative analysis in social sciences. As a corollary to this distinction, positive analysis in

economics is considered "the science of economics" in which economists basically describe the actual economy and study what causes what in economic life. Normative analysis, on the other hand, "is the study of whether an outcome or policy is desirable or undesirable and what, how, or whether to change things to achieve the "best" possible outcome" (Henderson, and Poole, 1991: 11). While positive economics deals with what the economy is actually like, normative economics examines whether certain conditions or aspects of the economy are desirable or not (McConnell and Brue, 1993: 6; Samuelson and Nordhaus, 1992: 9; Ruffin and Gregory, 1993: 11-2).

Since positive analysis which is made up of positive statements is considered as the "science of economics", normative analysis, that is, normative economics (if it is called science), can be categorised as somehow "inferior science" within the subdisciplines of economics. That's why most of the economists focus not on normative but positive economics.

There may be an objection arguing that at a higher level of abstraction this positive-normative distinction may lose its meaningfulness. This objection seems to be correct in principle. But this type of conceptualisation of reality ignores the differences between potential reality and actual reality and their implications on the statements (Kara, 1987; Kocabaş, 1984). Of course, "what is" of today (a positive statement) is one of the alternatives of "what ought to be" of "past" (a normative statement) in terms of its content. But these two types of statements are still different from each other in terms of their grammatical structures and meaning implications (for details, see Demir, 1992b).

3. *Normative versus positive economic methodology*

Methodology, as a general word, is often used in an extremely narrow sense to denote technical research methods in use within scientific inquiry. This usage is synonymous with "methods", which include an examination of data collection, sampling, survey methods, and how to use hypotheses in an empirical research. The term, however, has a broader sense in which it means the most general kind of examination of scientific theories and their particular methods of investigation. In this wider and wider sense, methodology is "the theory of scientific method and has as its objective the epistemological and metaphysical appraisal of the theories researchers use in pursuit of knowledge and other aims" (Torrance, 1992: 22-3). Methodology is associated with the idea of a 'meta-narrative', a story about the constructing of stories, a normative framework for considering the merits of particular stories, be they literary, theological, mathematical, historical or scientific (Weintraub, 1990: 264). Within this framework, economic methodology means an attempt to govern the appraisal of particular economic theories by an account of theorising in general. It is to be understood simply as "philosophy of science applied to economics" (Blaug, 1993: xxv). It investigates the concepts, theories, and the basic principles of reasoning which are part and parcel of the discipline of economics. This means that economic methodology is a discipline which is concerned with the methods and limits of conceptualisation of economics. So, while subject matter of economics is, economy that of economic methodology is economics or ways of doing economics. This is the basic difference between economics and economic methodology as two separate fields of inquiry in terms of their subject matters.

Economic methodology is not, in a narrow sense, simply a science concerned with problems that arise from using some methods instead of others in economic theorising or practising, but it is a discourse which is part of our lives. In Weintraub's words, "it is sum of all the utterances we produce about the economics we do and read and hear" (Weintraub, 1990: 266).

While economists focus on "economic" aspects of human life, i.e. economy, economic methodologists focus on works of economists. So we have two different disciplines in terms of their subject matters, methods and functions in human understanding. It can be argued that, generally speaking, methodology as an independent scientific enterprise has two basic functions in cognitive

process: legitimising and questioning. This implies that since understanding an intellectual activity is not possible without knowledge of the context for that activity, methodology that focuses on works or process of knowledge production of scientists follows science, not vice versa (Demir. 1992a: 111-2; Caldwell. 1985: 188-9). As Colander (1992: 198) puts it. "I recognise that few practising economists will heed this or any other methodological discussion: they do what they do". That is why methodology as a discipline, not knowledge about methods that is, was, will be used, does not matter in actual production of scientific knowledge. In the case of economic methodology, for example. Blaug puts this point as "there is nothing much wrong with standard economic methodology as laid down in the first chapter of almost every textbook in economic theory; what is wrong is that economists do not practise what they preach" (Blaug. 1993: xxvii, emphases added). In this quotation the adjective 'they' must be understood to refer not to economists but to economic methodologists. That's why "economic methodology has little place in the training of modern economists" (p. xxvii). In this context, Friedman's reply to question as to why he never answered the critics of his famous, probably the most famous, article in the economic methodology literature: *The Methodology of Positive Economics*, is very meaningful: "I decided I could use my own efforts better in doing economics than in talking about how economics should be done" (Frazer. 1984: 794). Schumpeter's approach to methodology implies exactly the same thing. His very first article as well as his first book were on the methodology of economics. In order to point out the sterility of methodological debates, he wrote: "Not the first, but the last chapter of a system should deal with its methodology" (cited by Machlup, 1991: 232). It is not surprising that practising economists, who learned how to do economics in graduate school and who have little training or interest in philosophy, find the arguments of methodologists to be rather tiresome and boring. Furthermore, instead of helping us to understand what economics is about and what kinds of principles are used by economists, methodological debates too often end up as a confusing cacophony of competing claims (Caldwell, 1985: 188-9).

As a result, one never in fact refutes or disallows an argument in economics by the help of an argument in economic methodology. An economic argument, like an explanation of the rate of inflation, is always appraised from within economics; there is no independent basis for the appraisal. That is to say, economic methodology either (a) as a systematic retrospective rational reconstruction of scientific knowledge (normative/ prescriptive methodology) or (b) as a retrospective description of scientific activity (positive/descriptive methodology), has to follow economics (Demir, 1995). Then if economic methodology has to follow economics and has no independent status outside of it, then there is no privileged and legitimate review by the methodologist which results in a 'yes' or 'no' on practices of economists. The same relation is valid between science and philosophy of science (Demir, 1992a: 110). More specifically; "there is no position totally apart from the doing of economics which can inform the consideration of the doing economics" (Weintraub, 1990: 272). For example, "If we are a neo-Keynesian we 'see', that is, we characterise, the economy as out of equilibrium if we observe significant unemployment, whereas our New Classical vision 'sees' that same jobless rate as one of equilibrium. The differences are theoretical, not epistemological, and certainly cannot be resolved through methodological argumentation.... Methodology has no consequences for practice. Hence methodology cannot matter" (Weintraub. 1990: 273). I share the point with Weintraub that economic methodology has no significant consequences on economic practice or doing economics but its social role and dual function in the process of legitimising or questioning of economic theorising are not deniable.

Needless to say, when social context of methodological activity in a scientific discipline is to question the established knowledge, its discourse, the logical construction of its arguments and their function in the process of argumentation, and therefore its social function are very different than that of legitimising the established knowledge. Methodological literature combines different perspectives and arguments and perform both legitimising and questioning functions. So it is necessary to separate or categorise those arguments according to their position: questioning or legitimising. One can say that when everything is O.K., methodology does not matter (Buğra. 1989: 193). If it matters, its role is to

legitimise given or established science with its own theoretical formulations. In this ease, methodologists try to explain which characteristics enable that body of knowledge to be a part of science within the general accepted criteria of being science. This necessitates, somehow, a prescription and this methodological enterprise should be then a normative one. At this point, it can be argued that, a positive social science which is supported by normative methodology "frequently explains the status quo, rather than exploring alternatives for a more just and humane society" (Rosenberg. 1993: 81). Blaug puts this point very clearly in the case of economic methodology: "(T)oo many writers on economic methodology have seen their role as simply rationalising the traditional modes of argument of economists, and perhaps this is why the average modern economist has little use for methodological inquiries" (Blaug. 1993: xxvii).

When something begins to go wrong, that is, when science in general, or a subdiscipline in particular, faces a crisis, methodologists try to question "old view" and criticise it by methodological arguments in order to legitimise the emerging "new way of thinking." So these two functions of methodology may be performed simultaneously by different groups of methodologists at the same time. In the field of economics, for instance, from 1960s onwards more and more economists are beginning to ask themselves deeper questions about what they are doing and about the scientific status of their subject. This has brought forth a rich economic methodology literature. We grouped different methodological perspectives according to their major attitude to scientific activity under two main categories as prescriptive and descriptive economic methodology (Demir. 1995: 77).

4. *Prescriptive economic methodology*

In economic methodology there is a similar picture, in form but not in content, when it is compared to economics. In the same way as positive and normative economies, economic methodology can be divided into two parts: prescriptive (normative) economic methodology and descriptive (positive) economic methodology (Dow, 1985: 4; Demir, 1995: 77). In a prescriptive perspective, methodologists try to provide a rational reconstruction of scientific concepts and practices, the best way of doing science, a standard that separates science from nonscience (Holcombe, 1989: 3). It attempts to find rules of inquiry, logical inference, and theory appraisal that would apply to all scientific investigation and lead to objective knowledge (Hoksbergen. 1994: 684), in other words, if a methodological perspective rests on a demarcation criterion, it is a prescriptive one. In this context, we can give nine methodological perspectives in economic methodology: Verificationism, falsificationism, situational analysis, instrumentalism, operationalism. methodology of scientific research program, subjectivism, hermeneutics and evolutionary economic methodology (Demir, 1995: 85-218). All these share the same supposition that there are some criteria to measure scientificity of a statement or of a theory appraisal though they differ in characterisation of them as verifiability, falsifiability, predictability, etc. According to this way of methodological thinking, there is a linear, cumulative, progressive cognitive pattern of scientific process in the history of science, a formal rationality and. in Tianji's words, this formal "scientific rationality does not change over time" (Tianji. 1985: 409). For Tianji, this standard conception of scientific rationality is based on four basic assumptions on scientific method: a) unity, universality and stability, b) formalisability. c) rationality and d) essentiality (Tianji, 1985: 415).

According to the first assumption, there is a unified scientific method which has been used by almost all scientists in all ages or at least from the time when real science began. This implies that there is only one way of doing science or there is a norm of rational procedure which all scientists should employ in their scientific enterprise. The second assumption suggests that this implicit rationality can be formulated and formalised, even if we do not yet have such a formulation at the present time. According to the third assumption, the formal or formalisable method can be used to achieve our objectives in science such as the discovery of truth, epistemic progress, explanation and understanding, prediction and technological control, and problem-solving. And the final assumption says that the

formal or formalisable method also serves as a demarcation criterion between science and other human pursuits, between science and non-science.

As it is mentioned above there are many models of prescriptive methodology. Verificationism is the major one. Verification means "the procedure by which a scholar's conclusion is related to empirical data for the purpose of establishing either its acceptance (in the strong or weak case -i.e.. confirmation), its rejection (falsification) or its modification; verification will thus be considered to encompass 'verification', 'confirmation', 'validation', and 'modification' " (Hamouda and Price. 1991: 1).

A well-known verificationist approach in prescriptive economic methodology is logical positivism. It is an attempt to reformulate and solve the remaining problems of philosophy. It was born out of the hope that philosophy could be as science, and could solve problems by the use of particular methods such as methods of demarcation and verificationism. "One of the Positivism's goals was to define the scope of scientific claims by demarcating science, or true knowledge-generating activity, from non-science, or activity that does not count as knowledge because it is private, non-communicable, and non-cumulative" (Weintraub, 1990: 264). The main argument of this line of thinking is that "the meaning of a term is its method of verification" (Suppe, 1974: 13).

Verificationism under different names was accepted by almost all economic textbooks as a true, acceptable methodological point of view of economics without discussing it in detail (see Holcombe, 1989; Wolfson, 1978; Backhouse. 1991; Redman, 1991; Blaug, 1993; Pheby, 1988).

Parallel to the developments in the philosophy of science after 1930s, falsificationism as an alternative to verificationist perspective, entered the scene. Because of its objection to inductionism which is considered a general acceptable method of positive knowledge, falsificationism has very important place in twentieth century philosophy of science and that's why 1930s can be considered a "turning point" in economic methodology (Backhouse, 1991: 275; Blaug. 1993: 55). According to falsificationism, falsifiability and not verifiability is the demarcation criterion. In this context. Popper says that a "statement (a theory, a conjecture) has the status of belonging to the empirical sciences if and only if it is falsifiable" (Popper, 1983: xix). There are many economic methodologists that follow Popperian falsificationism and there is an important literature on falsificationism in economics (c.g. Robinson, 1962; Klant, 1984; Hands. 1988; de Marchi, 1988; Pheby, 1988; Salanti, 1987; Redman. 1991; Blaug. 1993; Caldwell, 1991).

Situational analysis is also suggested by Popper and Popperians as the appropriate methodology for social sciences, especially for economics including its own demarcation criterion (Latsis, 1972; Wong, 1978; Popper, 1985; Caldwell, 1991; Koertge, 1975; Redman, 1991).

At this point an anecdote about Popper's image of scientific method, reported by Feyerabend who studied with him in London, is very interesting. It is interesting, because it implies that as a founder of falsificationism, Popper in his lifetime tried to find out a rationality of scientific method but he failed: "... when Popper came into his first lecture, he started out, as he did apparently in every lecture on scientific method: 'I am a professor of scientific method. Well, somehow this is a paradox, because I don't believe there is such a thing'" (Parascandallo and Hösle, 1995: 119).

Imre Lakatos tries to combine Kuhn's view and that of Popper's as a new approach to demarcation criterion problem (Lakatos. 1986). Institutionalism is also an influential and important prescriptive methodology. Furthermore it can be said that from the late 1950s to the early 1970s, almost all the literature on methodology of economics centred on 'the assumptions controversy' that started with Friedman's famous article, named 'The Methodology of Positive Economics'. In this article Friedman argues that: "...the relevant question to ask about the assumptions of a theory is not whether they are

descriptively 'realistic', for they never are. but whether they are sufficiently good approximations for the purpose in hand. And this question can be answered only by seeing whether the theory works which means whether it yields sufficiently accurate predictions" (Friedman. 1959:15).

The instrumentalist way of methodological conceptualisation gives priority to predictive capacity of a theory not realism of its assumptions or descriptive power (Wong. 1973; Pheby, 1988; Webb, 1987; Görün, 1982; Redman. 1991). Here the demarcation criterion is predictive capacity.

Prescriptive methodology has been challenged as inconclusive for resting ironically on subjective meta-epistemological foundations and misrepresenting the actual practice of science (Samuels, 1990: 2). Descriptive methodology began to emerge as new way of describing actual practice of scientific activity as a part of postmodern discourse (Mayer, 1993).

5. *Descriptive economic methodology*

At the end of the 1960s it has been generally agreed that there was something wrong with this prescriptive conception of science in methodological literature. Several different lines of thought have emerged to overcome this "crisis". One school of thought has focused on scientific change, the nature of the scientific community, and the mutual relations between science and society. Of those works we can mention W. V Quine's "holistic network model for theories", Toulmin's "conceptual systems", Lakatos's "research programmes", and Thomas Kuhn's "paradigm". Among those, Kuhn's model of scientific change and the notion of paradigmatic transition have had such a dramatic impact on almost all branches of science that "it would be impossible to understand contemporary theories of science... without considering his work in detail" (Elguca. 1985 : 214).

The analyses proposed by Böhm, Feyerabend, Hanson, Toulmin and Kuhn drew attention to the idea that science is done from within a conceptual perspective which determines in large part the questions that are worth investigating and the sort of answers that are acceptable. Despite some differences, this line of thought agreed on the following three theses:

- a) Observation is theory-laden (different theories will observe different things when they view the same phenomena).
- b) Meanings are theory-dependent (the principles of theory that help to determine the meanings of terms which will vary from one theory to another; hence changes in theory result in changes in meaning).
- c) Facts are theory-laden (there is no neutral set of facts for assessing the relative adequacy of two competing theories) (Suppe, 1974).

If observation is theory-laden, meanings are theory-dependent and facts are theory-laden, it can be said that, a corollary to these premises is that scientific rationality changes over time and interparadigmatic theory appraisal is not possible. In other words, it is not a proper methodological attitude to ask, to find out or to create a demarcation criteria that separate science from non-science. More complex and, maybe, more sociological by its nature, and context-dependent questions have to be asked about a scientific theory: How was it developed, how was it presented, what do its terms mean, who was its audience, how does it treat evidence, how does it use technical terms, how does it link problems posed in earlier papers previously valued by the community,..., etc.? (Weintraub, 1990: 276). This leads to descriptive methodology. In descriptive methodological perspective, the task of methodologists is to acquire an understanding of the actual practice of what is called as science (Rosenberg, 1976: ix-x; Yay. 1992: 10-12). Descriptive methodology focuses on the living tradition as the locus of knowledge, and it allows the community not the rules or principles to decide what counts and

what does not count as good research (Hoksbergen, 1994: 684).

Feyerabend, as a defender of an anarchistic theory of knowledge, tried to deconstruct prescriptive methodological approaches in order to emancipate scientists from epistemologists, and citizens from scientists (Feyerabend, 1975). He attacked two distinct tutelages: one imaginary: the other real. The imaginary tutelage occurs when philosophers of science "prescribe truly scientific, rational methods" for scientists; real tutelage occurs in the exercise of power by experts, technicians and scientists on the political choices of citizens and future of the society. Prescriptive methodologies, by their nature, dictate and impose one way of thinking, and exclude all others. So in order for both science and society to become free, for Feyerabend, they must accept a radical pluralism (Benvenuto, 1995: 109-10).

If it is needed to give a rule for identifying descriptive methodologies from prescriptive ones, it can be said that when a methodology does not use a demarcation criterion, it is a descriptive one: but this way of categorising, paradoxically, is itself a different kind of prescription. So we have two levels in this rule-making argument: At the first level, the rule is related to demarcate between economic methodological approaches. At the second and more abstract level, the rules implicitly or explicitly are used in order to categorise "things" or separate one thing from the others, as a logical affair, since following a rule is one of the basic characteristics of all kinds of "human" activities (Winch, 1971).

On the other hand, to describe something, or to use words to describe it, can be considered as to theorise. This is because knowledge is largely paradigm-specific and facts and meanings are discourse-specific. There is an interdependence between "theory and fact, mediated by culture, paradigm, and experience, that govern perception and that are themselves products, not independently given" (Samuels, 1990: 6). Within this framework there can be categorised six different kinds of descriptive approaches in economic methodology literature (Demir, 1995). These are conventionalism, paradigmism, structuralism, deconstructionism, discourse analysis and rhetorical approach (Kuhn, 1970; Bronfenbrenner, 1971; Leijonhufvud, 1980; Klamer, 1983; 1988; McCloskey, 1985; Boland, 1989; Redman, 1991; Staley, 1992; Hands, 1985; Maki, 1988; Samuels, 1990; Rosetti, 1990; Klant 1988).

Since they are examined in detail elsewhere (Demir, 1995), only the general common characteristics of those approaches will be considered here. It must be said that the common feature of those methodological approaches in economics is that all of them try to describe established science that is accepted by scientific community as science without considering the criteria that determine scientificity of it. It can be said that if one methodological attempt does not try to reconstruct established knowledge as scientific according to its own demarcation criterion or criteria, its social function is not legitimising established scientific knowledge. Once using the demarcation criterion as a methodological tool to appraise alternative theories as being scientific or not is rejected, this means that seeing science at the top of the hierarchies of human knowledge has started to be questioned. Then the second function of methodology enters into scene: questioning of established scientific knowledge. It can be said that economic methodology perform this function implicitly or explicitly. According to this way of methodological thinking there is no "instant rationality, no test we can apply which gives us a precise judgement about worth of a particular bit of work in economics" (Weintraub, 1990: 276). If this is the case, why do economic methodologists examine methodological issues? This question cannot be answered only on epistemological or methodological grounds without taking the dual social function of methodological activities mentioned above into consideration.

6. Conclusion

In this article, we discussed the relationships between economics and economic methodology as two separate, but closely related, fields of inquiry, especially in terms of their subject matters and aims. It is argued that although it is one kind of "science", methodology, in terms of its functions and subject

matter, is somehow different than "normal" scientific activities, for example, the subject matter of the economics is economy and the subject matter of economic methodology is the way of doing economics. That is why it is claimed that "methodology of" any kind, as a systematic knowledge, must follow its "science". This is the corollary of dual social function of methodology as a scientific enterprise in general: legitimising and questioning. This duality can only be crystallised within a social context. So, social context determines which functions of methodological activities will be dominant and performed by whom and how. At this point, it must be said that in order to explain this context, epistemological argumentation become totally meaningless. Because any type and kind of knowledge, including methodological ones, is a kind of social activity and it is carried out in communities, and epistemological significance and meaningfulness can not be determined by using interparadigmatic criteria (if there is any) that are given outside of that paradigm (incommensurability of paradigm). Since meanings are produced, reproduced, transferred and understood in a social context, to understand and explain methodological aspects of a paradigm can not be reduced to an epistemological issue without taking its social context and implications into consideration.

With this framework, when someone looks at the position of methodology in economic literature, he/she will notice that the dual function of methodology becomes very obvious in distinction between normativeness and positiveness in economics and economic methodology as two separate but interrelated fields of inquiry. The positive-normative (prescriptive- descriptive) distinction is an accepted conceptualisation that refers to differences between alternative approaches in both literature of economics and economic methodology. Mainstream methodological perspective in economics is the descriptive (positive) one. Contrary to economics, on the other hand, prescriptive perspective is commonly accepted by most of the economic methodologists in the field of economic methodology. The reason of this choice, that is the fundamental argument of this article, comes from the social function of the methodology in the process of the formation of scientific knowledge.

If one looks at the methodological position in economic literature he/she will find out that in economics, mainstream methodological position is descriptive/ positive, but in economic methodology, it is a prescriptive/ normative one. Since, in a paradoxical way, the positive methodology in economics leads to the legitimation of the established world, it leads to a way of questioning of the established scientific discourse in economic methodology. That is why advocates of positive economics could be advised to prefer a normative/prescriptive methodological perspective. This is the fact that, in order to legitimise the status of positive statements (positive economics), one always needs some normative arguments so as to prescribe the rules or principles that demarcate scientific statements from non-scientific ones at the methodological context. So positive science needs normative methodology because of the social function of methodology by its nature.

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Özet

Pozitif iktisadın normatif metodolojisi: İktisatla metodolojinin rolü ve fonksiyonları üzerine eleştirel bir değerlendirme

Amaç, yöntem ve işlevleri bakımından iktisat ve iktisat metodolojisi iki farklı çalışma alanıdır. Sosyal bilimlerde, özellikle de iktisatta önemli ayrımlardan biri olan pozitif-normatif ayrımı, iktisatta ve iktisat metodolojisinde oldukça farklı bir işlev görmektedir. İktisatta pozitif bilgi, olanın bilgisidir. İktisat metodolojisinde ise pozitif bilgi, bilim ile bilim olmayanın ayrımının yapılması amacını güden metodolojik bilgidir. İktisatta normatif bilgi olması gerekene ilişkin iktisadi ilişkileri kapsarken, iktisat metodolojisinde normatif bilgi, bilimsel bilgiyi bilimsel olmayandan ayırtırmayı sağlayacak bir ölçüt çerçevesinde üretilen metodolojik bilgiyi nitelemektedir. Yerleşik iktisat pozitif bilgiyi öne çıkarırken, yerleşik iktisat metodolojisi ise bilimsellik ölçütleri sunan normatif bir nitelik taşımaktadır. Bu yüzden denebilir ki. pozitif iktisat normatif bir metodoloji ile temellendirilmeye çalışılmaktadır. Bu da doğası gereği bir bilim dalı olarak metodolojinin "ilgili" bilim dalını izleme konumunda bulunmasından ve gördüğü sosyal işlevden (meşrulaştırma- sorgulama) kaynaklanmaktadır. Metodoloji ile ilgili değerlendirmelerde bu sosyal işlev, hiçbir şekilde gözardı edilmemelidir.