14. **Incorrect. The answer is false not true.** Qd = 87.5 - 2Pc and Qs = -14.6 + 2Pc. Equilibrium is Pc = 25.525. Pick a price below equilibrium say 20. At 20, Qd = 87.5 - 2*20 = 47.5 and Qs = -14.6 + 2*20 = 25.4. There is excess quantity demanded which would drive price towards the higher equilibrium price. At lower prices quantity demand would be even higher and quantity supply would be even higher. Thus, the market is stable <u>not</u> unstable.