

16. Incorrect. The answer is true not false. At a $P_c = 30$, $Q_d = 87.5 - 2(30) = 25.5$, $Q_s = -14.6 + 2(30) = 45.4$, $Q_s - Q_d = 45.4 - 27.5 = 17.9$. If the government bought the excess quantity supplied of 17.9 the market would be in equilibrium at \$30.