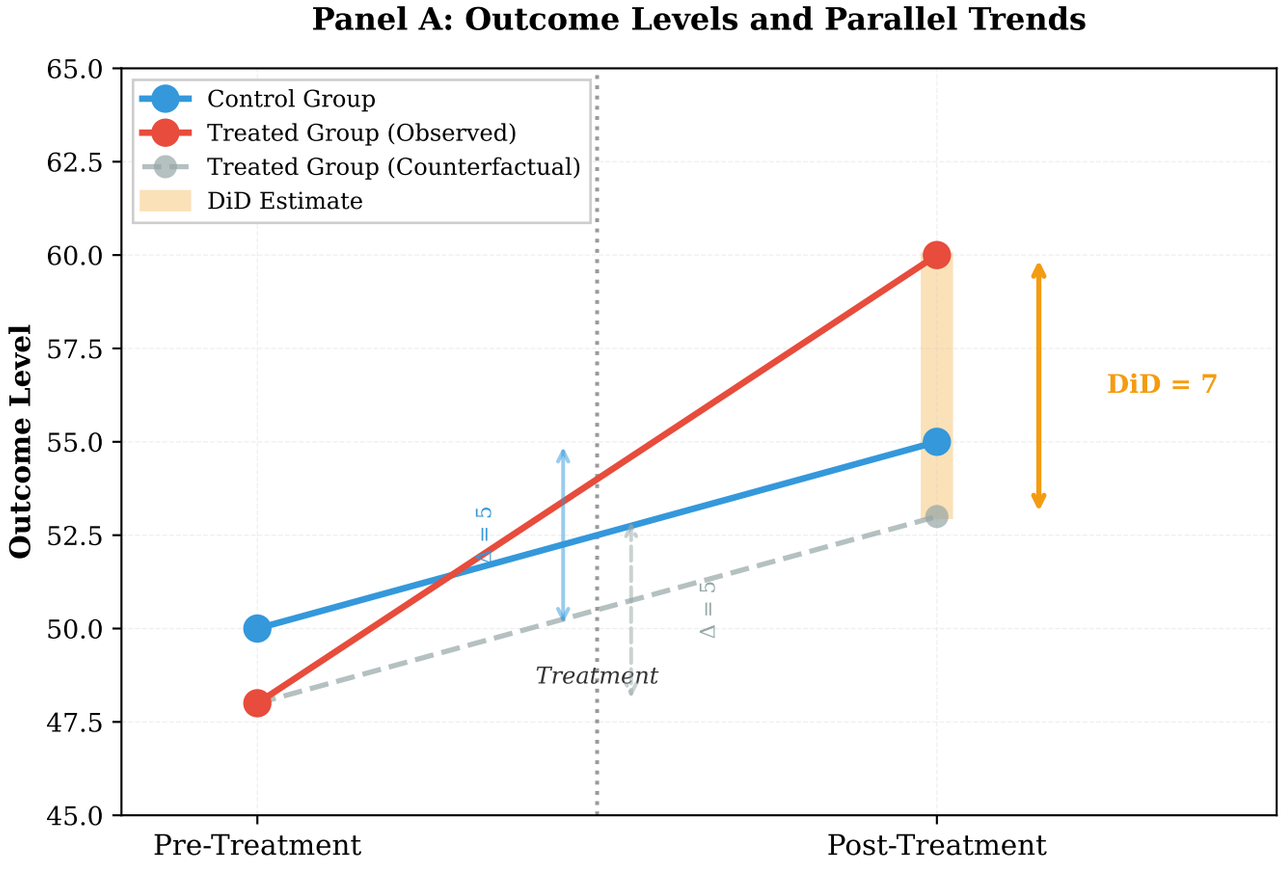
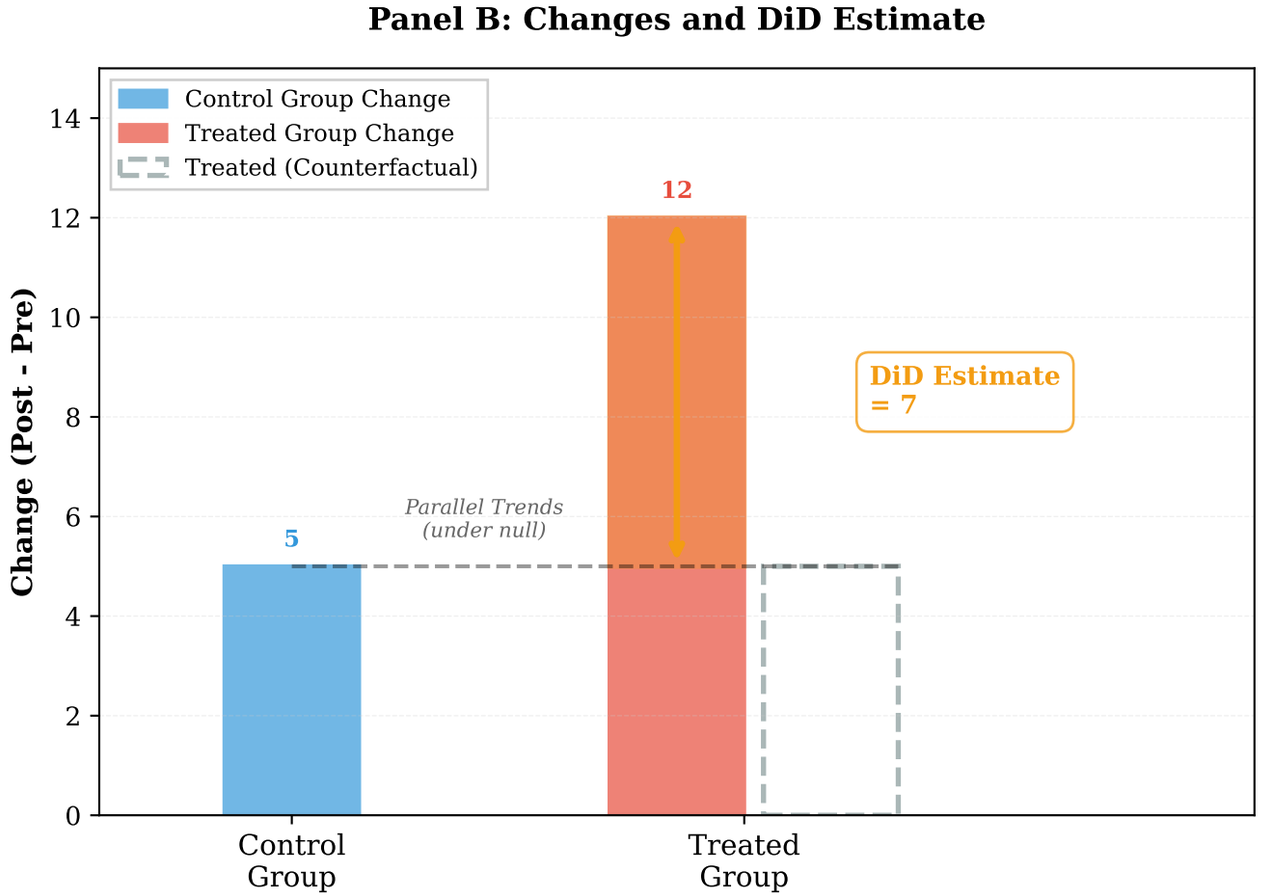
Canonical 2×2 Difference-in-Differences Design





Note: Panel A shows outcome levels over time. Parallel trends assumes treated and control groups would follow the same trend absent treatment. Panel B shows changes (first differences). The DiD estimate is the difference between the treated group change and the control group change.