Policy Impact Detail - Obama Administration (First Term) (2009–2013)

15 Important Policies / Decisions and their relevance to inequality

Query used to generate the 15-item list

What were the 15 most important decisions, policy changes, or legislation undertaken by the Obama Administration, First Term (2009-2013)?

1. American Recovery and Reinvestment Act (2009) - $787 billion stimulus combining tax cuts, unemployment aid, and infrastructure spending.

2. Lilly Ledbetter Fair Pay Act (2009) - extended the statute of limitations for pay-discrimination claims.

3. Credit CARD Act of 2009 - restricted retroactive rate increases and other credit card practices.

4. Home Affordable Modification Program (2009) - foreclosure-prevention loan modification program.

5. General Motors and Chrysler bankruptcy restructuring (2009) - government-backed reorganization of the auto industry.

6. Affordable Care Act (2010) - major health-insurance coverage expansion via Medicaid expansion, subsidies, and market reforms.

7. Health Care and Education Reconciliation Act (2010) - ended private-lender middlemen in federal student loans, redirecting savings to Pell Grants.

8. Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) - created the CFPB and new financial-system oversight.

9. Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act (2010) - extended the Bush-era tax cuts two years and enacted a payroll tax holiday.

10. Don't Ask, Don't Tell repeal (2010).

11. Budget Control Act of 2011 - raised the debt ceiling and created automatic sequestration spending cuts.

12. Killing of Osama bin Laden (2011).

13. Deepwater Horizon oil spill response (2010).

14. Deferred Action for Childhood Arrivals (DACA) announced (2012) - granted work authorization to eligible undocumented immigrants who arrived as children.

15. American Taxpayer Relief Act of 2013 - resolved the 'fiscal cliff' by raising the top tax rate to 39.6% on high incomes while making most other cuts permanent.

Relevance to Inequality (evaluation of the 15 Important Policies)

#	Policy / Decision	Meaningful impact?	Direction (Favorable To)	Impact
1	American Recovery and Reinvestment Act (2009) - $787 billion stimulus combining tax cuts, unemployment aid, and infrastructure spending.	Yes	Common Man (tax relief reached 95% of working families; unemployment aid limited the poverty-rate increase)	High
2	Lilly Ledbetter Fair Pay Act (2009) - extended the statute of limitations for pay-discrimination claims.	Yes	Common Man (strengthened pay-discrimination enforcement)	Moderate
3	Credit CARD Act of 2009 - restricted retroactive rate increases and other credit card practices.	Yes	Common Man (restricted predatory card-issuer practices)	Moderate

#	Policy / Decision	Meaningful impact?	Direction (Favorable To)	Impact
4	Home Affordable Modification Program (2009) - foreclosure-prevention loan modification program.	Yes	Common Man (intent); widely documented as falling well short of its reach targets	Low-Moderate
5	General Motors and Chrysler bankruptcy restructuring (2009) - government-backed reorganization of the auto industry.	Yes	Mixed / Common Man (saved autoworker jobs, with union wage and benefit concessions)	Moderate
6	Affordable Care Act (2010) - major health-insurance coverage expansion via Medicaid expansion, subsidies, and market reforms.	Yes	Common Man (major coverage expansion; largest effects began after this term)	High
7	Health Care and Education Reconciliation Act (2010) - ended private-lender middlemen in federal student loans, redirecting savings to Pell Grants.	Yes	Common Man (eliminated a subsidized private middleman; expanded grant aid)	Moderate
8	Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) - created the CFPB and new financial-system oversight.	Yes	Common Man (new consumer financial protections and systemic oversight)	High
9	Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act (2010) - extended the Bush-era tax cuts two years and enacted a payroll tax holiday.	Yes	Mixed (broad-based tax relief including top earners; payroll tax cut broadly benefited workers)	Moderate-High
10	Don't Ask, Don't Tell repeal (2010).	No		
11	Budget Control Act of 2011 - raised the debt ceiling and created automatic sequestration spending cuts.	Yes	Mixed / Wealthy-leaning (broad discretionary austerity affecting many lower-income program areas)	Moderate
12	Killing of Osama bin Laden (2011).	No		
13	Deepwater Horizon oil spill response (2010).	No		
14	Deferred Action for Childhood Arrivals (DACA) announced (2012) - granted work authorization to eligible undocumented immigrants who arrived as children.	Yes	Common Man (expanded labor-market access and protection for a vulnerable population)	Moderate
15	American Taxpayer Relief Act of 2013 - resolved the 'fiscal cliff' by raising the top tax rate to 39.6% on high incomes while making most other cuts permanent.	Yes	Common Man (raised the top rate on high incomes while protecting middle-class provisions)	Moderate-High

Narrative Analysis - Items with Meaningful Inequality Impact

Only a subset is expanded here to keep this as a true companion report.

Affordable Care Act (2010) - inequality impact

The ACA restructured the individual health insurance market, expanded Medicaid eligibility (in states that adopted the expansion), provided income-based premium subsidies, and prohibited insurers from denying coverage or charging more based on pre-existing conditions. Its major coverage provisions took effect in January 2014, just after this term ended, though early provisions (dependent coverage to age 26, closing the Medicare prescription drug “doughnut hole,” high-risk pools) began during the term.

The inequality relevance is substantial and well documented: subsequent analysis by the Council of Economic Advisers found that ACA coverage provisions and related tax changes increased the share of after-tax income received by the bottom income quintile by roughly 18% by 2017, while reducing the top 1%'s share by about 7%, financed partly through new taxes on high earners and the health-insurance and medical-device industries. Because most of this effect materialized after 2013, it is scored here for its structural significance rather than its in-term measurable impact.

Impact rating: High. The largest health-coverage and progressive-financing structural reform of the entire 1977-2025 period, though its largest measurable effects began just after this term.

Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) - inequality impact

Responding directly to the 2008 financial crisis, this law created the Consumer Financial Protection Bureau, imposed new capital and stress-testing requirements on large banks, established a mechanism for winding down failing systemically important institutions without taxpayer bailouts, and restricted proprietary trading by banks (the Volcker Rule).

The inequality relevance runs through consumer protection and systemic-risk reduction: the CFPB was specifically designed to police the kinds of predatory mortgage and lending practices that had disproportionately harmed lower-income borrowers in the run-up to the 2008 crisis, and enhanced capital requirements aimed to reduce the likelihood that a future crisis would again require a public bailout asymmetric to direct household relief. Financial-industry critics argued compliance costs could constrain credit availability, a genuine trade-off in implementation.

Impact rating: High. A direct regulatory response to the prior term's most consequential inequality-relevant episode, aimed specifically at the mechanisms that produced it.

American Recovery and Reinvestment Act (2009) - inequality impact

ARRA combined roughly $288 billion in tax relief, $224 billion in extended unemployment benefits and other direct aid, and $275 billion in infrastructure, energy, and other spending, enacted within weeks of the new administration taking office amid the steepest job losses since the Great Depression.

The inequality relevance is direct and well quantified: the Council of Economic Advisers estimated that without ARRA and other federal support programs, market-income poverty would have risen 4.5 percentage points between 2007 and 2010, but actually rose only 0.5 points after accounting for the Earned Income Tax Credit, Child Tax Credit, and nutrition assistance expansions included in the package. The tax-cut component reached an estimated 95% of working families. At the same time, the law's aggregate scale, while historic, proved insufficient to prevent the sharply asymmetric recovery that followed in subsequent years.

Impact rating: High. A large, well-documented, and genuinely protective response whose poverty-limiting effects were substantial, even though the broader recovery that followed remained unusually concentrated at the top.

American Taxpayer Relief Act of 2013 - inequality impact

Resolving the year-end 2012 “fiscal cliff,” this law permanently extended most of the 2001 and 2003 tax cuts for income below $400,000 (individuals) or $450,000 (couples), while allowing the top rate to rise from 35% to 39.6% and increasing capital gains and dividend rates for the highest earners. It also permanently patched the Alternative Minimum Tax.

The inequality relevance is direct: for the first time since the 2001 tax cuts began, a bipartisan majority in Congress agreed to let a portion of them expire specifically for the highest-income households, while making permanent the middle-class-oriented provisions (the Child Tax Credit expansion, the American Opportunity education credit, and the 10% bracket) that had previously been subject to periodic expiration battles. The law represents a modest but genuine partial reversal of the top-rate reductions enacted in 2001-2003.

Impact rating: Moderate-High. A targeted, top-end tax increase paired with permanent protection of middle-class provisions, resolving over a decade of temporary tax-cut extensions.

Sources

- Congress.gov - American Recovery and Reinvestment Act of 2009 summary
- Congress.gov - Patient Protection and Affordable Care Act summary
- Congress.gov - Dodd-Frank Wall Street Reform and Consumer Protection Act summary
- Congress.gov - American Taxpayer Relief Act of 2013 summary
- The White House (Obama Administration) - Fact Sheet: The American Recovery and Reinvestment Act, and the 2017 Economic Report of the President
- Emmanuel Saez (UC Berkeley) - Striking It Richer: The Evolution of Top Incomes in the United States (updated 2013)
- Center on Budget and Policy Priorities - Incomes at the Top Rebounded in First Full Year of Recovery, New Analysis of Tax Data Shows
- Wikipedia - Economic policy of the Obama administration
- U.S. Bureau of Labor Statistics - historical unemployment rate series, 2009-2013