

APGoPo Unit 6

THE GOVERNMENT CORPORATIONS

Government corporations are a blend of private corporations and government agency. They were created to allow more freedom and flexibility than exists in regular government agencies. They have more control over their budgets, and often have the right to decide how to use their own earnings. Since the government still ultimately controls them, they do not operate like true private corporations.

Some examples are:

- **The U.S. Postal Service** - The post office is a corporation that competes with private services.
- **National Railroad Passenger Corporation (AMTRAK)** - Congress created Amtrak to provide railroad passenger service that is heavily subsidized by the federal government. Part of the motivation for its creation was the lack of private companies providing the service, and Amtrak has suffered some huge financial losses. Recently, in an attempt to make the corporation more profitably, Congress has allowed Amtrak to drop some of its less popular routes.
- **The Corporation for Public Broadcasting** - This controversial government corporation still operates public radio and television stations. Although largely funded by private donations, the government still provides policies and money to support their programs.
- **The Tennessee Valley Authority** - This corporation was created as one of Franklin Roosevelt's New Deal programs. Its mission is to harness the power of the Tennessee River to protect farmlands and provide cheap electricity.

INDEPENDENT EXECUTIVE AGENCIES

Other agencies that do not fall into the first three categories are called independent executive agencies. Independent agencies closely resemble Cabinet departments, but they are smaller and less complex. Generally, they have narrower areas of responsibility than do cabinet departments. Most of these agencies are subject to presidential control and are independent only in the sense that they are not part of a department. Their main function is not to regulate, but to fulfill a myriad of other administrative responsibilities.

Some well-known examples are:

- **Central Intelligence Agency** - The CIA is responsible for providing national security intelligence to senior US policymakers.
- **Environmental Protection Agency** - The EPA was established to consolidate in one agency a variety of federal research, monitoring, standard-setting and enforcement activities to ensure environmental protection.
- **Social Security Administration** - The SSA administers Social Security, a social insurance program consisting of retirement, disability, and survivors' benefits. To qualify for these benefits, most American workers pay Social Security taxes on their earnings.
- **The National Aeronautics and Space Administration** - NASA administers the United States space program, financing ventures into space since 1958.