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Mitt Romney's "shocking admission" [1]

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Funny how the simplest truism can start an almighty ruckus. Last week, Mitt Romney made the obvious comment while on a swing through Iowa on his campaign for the Republican Party?s presidential nomination that ?corporations are people [3]?. Hecklers disagreed and Romney replied ?Of course, they are. Everything corporations earn ultimately goes to the people. Where do you think it goes??

The exchange prompted a formal attack by the Democratic National Committee Chairwoman Debbie Wasserman Schultz who described the comment as a ?shocking admission.? An ABC News commentator called it an ?accidental one-liner.? The Week?s website called it a ?gaffe.?

Shocking? Admission? A gaffe? What?s so shocking about the obvious and is it really an admission of some dark conspiratorial secret? Let?s take a closer look at what a corporation or any other business is to see how many ?people? are involved.

First of all, there?s the ?people? who are the customers of the actual product or service that a business makes: an iPhone, a holiday tour, a tank of petrol or supermarket shelves groaning with life?s necessities.

Second, there?s the ?people? working for the business ? the employees. They do it for the money, for the fun, for the camaraderie, for the challenge or for simply an excuse to get out of the house.

Third, there?s the ?people? supplying all the needs of the corporation: the security, the caterers, the accountants, the advertisers, etc, etc, etc.

Fourth, there?s the ?people? who own shares in the business, seeking dividends from profitably selling products to those other ?people? called customers. These shareholders are a varied bunch of ?people? ? pension savers and pensioners, trust funds, charities, and, yes, professional investors and speculators who?ll take the dividends and invest them somewhere else that makes things that other ?people? will want to buy.

Fifth, there?s the government, a rather large collection of ?people?. In the UK, that?s Her Majesty on down to the local town council?s part-time receptionist not to mention the government as representative of the ?people? at large. From payroll tax to VAT to corporation tax to royalties to business rates to bonus taxes, that?s a lot money going to the ?people? called the government.
Take all those ?people? away from a business and there?s not much left.

To his credit, Mr Romney was unrepentant and rebutted his critics with the reiteration that ?Businesses are people. What do they think they are? Little men from Mars?? Indeed, but maybe his critics are.

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