

# Japan Bans U.S. Beef Imports after Mad Cow Outbreak

The Ministry of Health, Labour and Welfare on Dec. 26, 2003 decided to halt imports of U.S. beef and processed beef products, based on the Food Sanitation Law, following the U.S. government's announcement that it had found the first case of mad cow disease in the state of Washington. Japan is the world's largest importer of U.S. beef.

The government also ordered importers to recall U.S. beef products that might contain neural tissue such as brain and spinal cord. These parts are highly likely to contain prions, a very small unit of protein believed to cause mad cow disease, or bovine spongiform encephalopathy (BSE). At the same time, it asked retailers to refrain from selling beef extracts because backbones are used as material for the products. The United States is the 23<sup>rd</sup> country to be subjected to a Japanese ban on beef imports, and the first since Canada in May 2003.

Japan imported about 240,000 tons of beef from the United States in 2002, with U.S. beef accounting for a quarter of total domestic consumption. On the heels of the government's decision, some major supermarket operators pulled U.S. beef off their shelves while airline companies removed U.S. beef from their in-flight meals. Yoshinoya D&C Co., which serves "*gyudon*" beef-over-rice, faces a difficult situation, as the firm imports up to 99% of its beef from the United States. The ban on U.S. beef imports, if prolonged, could deal a severe blow to the food, retail and restaurant industries and consumers.

Japan checks all cattle at slaughterhouses for BSE before the meat is authorized for consumption. The move was prompted by the confirmation of Japan's first case of mad cow disease in September 2001 in Chiba Prefecture. Japan has urged the 23 countries subjected to the ban on beef

imports to introduce similar checks. The United States, however, remains reluctant to follow in the footsteps of Japan. Japan does not want to maintain the ban on U.S. beef imports for a long period because it needs to secure a stable beef supply for the domestic market. As a compromise measure, the government is studying the possibility of introducing a special system, under which all cattle are checked at designated U.S. farms before the meat is exported to Japan.

The United States maintains that U.S. beef is safe if the high-risk parts of cattle are excluded. The Japanese government, however, would face strong consumer criticism that it does not prioritize food safety if it quickly lifts the ban on beef imports from the United States. The nasty Christmas present from the United States may become a new source of bilateral friction, causing a headache for the Japanese and U.S. governments.