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## **FOOD SAFETY SCANDAL AND SINO-JAPANESE RELATIONS**

***Tomoo Marukawa***

On July 20, 2014, a Shanghai-based television station broadcast a program accusing employees of a US-invested meat processing plant, Husi Shanghai, of engaging in various malpractices, including doctoring labels to extend the expiration dates of meat and mixing rotten meat into the production of processed food. The scandal quickly spread to Japan, creating a shock among consumers because the plant supplied chicken nuggets to McDonald's fast food restaurants and Family Mart convenience stores in Japan.

*The views expressed in this piece are the author's own and should not be attributed to The Association of Japanese Institutes of Strategic Studies.*

Although the news reports on the scandal itself were basically the same in the Chinese and Japanese media, the interpretations and responses were quite different between the two countries. In China the incident was regarded as a problem created by a foreign-invested firm and foreign-brand fast food chains, including McDonald's, KFC, Starbucks, and Pizza Hut, that had sourced meat products from Husi Shanghai. A news report published by *Eastday.com*, a news network operated by a state-owned, Shanghai-based media group, blamed the incident on these fast food chains not supervising their supplier's production process rigorously enough. The report also revealed that some McDonald's, KFC, and Pizza Hut restaurants in Shanghai did not stop selling chicken nuggets even after the announcement by these chains that sales of all meat products supplied by Husi Shanghai would be stopped immediately<sup>1</sup>. The stark criticism of foreign-brand fast food chains by the party-controlled media, together with the immediate inspections of the plant by the police and the food safety supervisory authority, led some Japanese journalists to suspect that the scandal was being used by the Chinese authorities as a pretext to "ruin the reputation of foreign-invested firms."<sup>2</sup>

The Japanese media and public interpreted the scandal in a different way. It was understood as an incident that revealed the danger of foods made in China in general. Since the "poisoned dumpling incident"<sup>3</sup> of January 2008, Japanese weekly magazines have continued to remind the Japanese people of the risk of eating food imported from China. *Shukan Bunshun*, Japan's best-selling weekly magazine, launched a series of articles warning of the

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<sup>1</sup> "Sanwen fuxi shipin heidong: Wenti kuaican shifou cunzai jianguan quexian?" (The third interrogation on the Husi food black hole: Don't the fast food chains have defects in their supervision?) *Dongfang Wang*, July 21, 2014.

<sup>2</sup> Toru Sugawara, "Chugoku kigengire niku, kigyo myoshu naku" (Firms have no effective measures to block suspicious Chinese meat), *Nihon keizai shimbun*, July 24, 2014; Kaori Fukushima, "Shanghai fukushi jiken @ chugoku hodo" (The Shanghai Husi incident in the Chinese media), *Nikkei Business Online*, July 31, 2014.


<sup>3</sup> Ten Japanese citizens were made ill by eating dumplings packed by a food processing plant in China in January 2008. A very high concentration of pesticides was found in the package of dumplings. Two years later, a Chinese employee of the plant was arrested for intentionally poisoning the product.

danger of Chinese-made food that ran for seven consecutive weeks from March to May 2014. Besides reporting various food safety scandals in China, the magazine named the fast food and convenience store chains in Japan that sold Chinese-made food as if they were “traitors” endangering Japanese people’s health. It was only natural that people swayed by these reports connected Husi Shanghai’s malpractice with other negative information on Chinese food. After the scandal, *Shukan Bunshun* triumphantly launched a special issue entitled “Highly Poisoned Chinese Food” as if they had anticipated the incident.

However, the Statistics of Imported Foods Monitoring published every year by Japan’s Ministry of Health, Labor and Welfare show that foods imported from China have had good scores in their inspection records. During FY2013, for example, only 0.31 percent of the food samples imported from China tested by the quarantine office were found to be in violation of Japan’s food sanitation law, a significantly lower ratio than the incidence of violations among all imported foods (0.52 percent). Considering the relatively low cost, improved safety, and the ease of delivery, it is rational behavior for restaurants and retailers to import large quantities of food from China. With mounting media and public accusations after the Husi Shanghai scandal charging the Japanese firms that sell Chinese-made food as irresponsible, some Japanese food suppliers were forced to give up importing food from China, even though they never had any transactions with Husi Shanghai. UNY Group Holdings, a supplier of processed food to some convenience store chains, and Lotteria, a fast food restaurant chain, announced that they had decided to stop sourcing food from China.

The Husi Shanghai scandal should be regarded as a lesson for all restaurant chains and food retailers, suggesting the need to improve governance of their supply chains. To interpret the scandal as a proof of danger of all foods made in China will mislead consumers and lead firms to take remedies that will increase the risk of food poisoning. After the poisoned dumpling incident in 2008, Japanese consumers started to avoid all kinds of food labeled “Made in China.” Their preference led food companies to switch their sources from Chinese plants to Japanese plants. However, in December 2013, a crime similar to the dumpling incident was committed by a Japanese employee at a food processing plant in

Japan. The man sprayed pesticides more than ten times on the frozen food produced in the plant. The Ministry of Health, Labor and Welfare revealed that, as of the end of February 2014, 2,879 individuals had likely been made ill by eating the poisoned frozen foods. The incident suggests that the risk of food poisoning exists even in Japanese plants and that assessing the degree of risk simply by the origin of food may lead to wrong decisions.

It may not be a coincidence that *Shukan Bunshun's* campaign against Chinese food was launched shortly after the poisoning incident as if to cover up the suspicions against Japanese-made food and replace them with suspicions against Chinese-made food. However, misperceptions of risk by Japanese consumers may exacerbate their risk. In addition, the exaggeration of malpractice at Chinese plants while neglecting similar malpractice at domestic plants may lead to a more negative image of the Chinese, and Japanese prejudice against the Chinese could adversely affect Chinese sentiments about Japan. This vicious cycle of negative sentiment must be stopped and replaced by a fair and scientific perception of risk. 

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