

Japanese Consumers: You Need To Take Control

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Today I want to talk to you as consumers of food and the need for you to take more control of it. And, I want to talk to you about what it means for your future and your families. I am going to make this speech short so that we will have considerable time for questions and comments. I have passed out paper to each of you and hope you will write down at least three questions, comments and ideas about topics related to food, agriculture, trade, the future of Japan, and about the well being of your families such as education of your children that are of concern to you. We can use some of this during our discussions today. Perhaps more important is that I will soon start writing another book, this one aimed at consumers and their concerns about these topics. In brief, I am planning to write about what is of concern to you. This is a type of “demand analysis” and you can help a great deal in this project. When we finish, please leave your paper for me. If you want to please feel free to write your name and hometown on the paper. I will study each and every one. I hope this next book will be as successful as the one published this past summer by Ienohikari.

Taking Food for Granted

Japanese have come to take food for granted. Supermarkets are overflowing with a vast array of products to meet any taste or whim. There seems to be a convenience store on every corner and drinks machines in every nook and cranny. Travelers are offered an amazing selection of local food products. True, the economy is in the doldrums, but why the worry about food? Why worry about a few imported mushrooms or canned pears? The answer is: If Japan does not take strong and decisive action in the current world trade negotiations, and in strong protection of domestic food production in preparation of free trade agreements, it is going to get hammered—and rather than having *most* food imported as happens today, *nearly all of it* will be imported. Japanese will lose much of their ability to

control food safety and the food they eat, and they will become virtual prisoners of food to other countries. That's why.

The situation is also unique because solution of it will probably require special considerations for Japan's exceptional circumstances, and this will not be easy in the WTO negotiations despite confirmation that non-trade concerns will be taken into account as provided for in the Uruguay Round Agreement on Agriculture (URAA). The big problem, and a key to understanding how the agreements are set, is realization that decisions are made by consensus—and that favorable treatment of a country or group of country's special conditions, requires that the other participants understand why a particular issue is of concern, and are sympathetic to a petition for help. Unfortunately, few countries are sympathetic to Japan because the Japanese have presented a terrible image of themselves, and continue to do so. The plain fact is foreigners (and most Japanese) have little understanding about the realities of Japan's agriculture and food situation and this is a big problem since negotiations require sympathy by other nations.

Some Japanese may be surprised that Japan is a misunderstood country. Crowded trains, stressful lifestyles, and small after-tax net incomes would make them wonder why the world has an opinion that Japanese are arrogant, look down on developing nations, and just throw money to the poor of the world through overseas development assistance (ODA). These government *faux pas* are compounded by an apparent unwillingness in government to break out of the Tokugawa Era isolationist mentality and top-down way of governing, and to understand western culture, ethics and philosophies.

I believe Japanese must explain the true story of their daily lives, their agriculture and their right to respect by the world in this age of globalization if they are to avoid a disastrous outcome in current and future trade negotiations.

You probably would like to know about the person who is talking to you so you can better judge whether you should trust that person or not. I first came to Japan in 1958 and traveled around the country over a 3-year period. I found the Japanese to be courteous and very open, welcoming me to their homes and talking about their daily lives. I married a Japanese woman 22 years ago. For 15 years after that, from 1980 through 1995, I carried out extensive research in Japan at least once a year, and I was often invited on short-term study trips and for lectures. Now I have lived permanently in Japan for seven years in my current capacity as a Professor of International Agriculture at Ryukoku University. I have witnessed an unfortunate change in the agricultural community and society as a whole to one of greater protection of personal lives and individual situation. Their seems to be much less sense of community, and this is a pity. Perhaps it is the result of inflated egos in the bubble times and deflated hopes during this past “lost decade.”

Trade Prisoner Risk

My biggest fear is what I call the “trade prisoner risk.” If Japan’s food dependency rate becomes too high, and tariff levels set too low, it will have crossed a bridge with no return, and the country will have no alternative but to depend on imports. There will be no other option, no matter how inconvenient such dependency might be. Politically, at the world level, the country will not be able to erect trade barriers of any kind, as they will be crucified for shifting to a protectionist route. Thus, they will be a prisoner to one system and there will be no going back.

Loss of human, capital and land resources is another integral aspect of the “trade prisoner risk.” I cannot state too emphatically that food production is not like factory output. Farming is generally seasonal and often only annual. It is carried out under a wide variety of climatic and geographic conditions that make production methods complicated and difficult to learn. Thus, a very real problem is that if Japan were to allow imports to reach extremely

high levels, few farmers and few specialized crops would be left. Valuable skills and production infrastructure would be lost. It takes a long time to learn to be a farmer and their skills and production bases are not like those involved in making tables or cars, which is a more mechanical process. Thus, as Japan loses farmers it loses a valuable resource. This is particularly true of losses in mountainous and other high production cost areas where agriculture plays a key role in multifunctionality of the entire area.

Loss of farmers and their skills is just one part of the trade prisoner risk. There are numerous supporting sub sectors that would also be lost and difficult to get back such as processing and other related industries like research institutes and land infrastructure maintenance. There would also be loss of small food processors that account for so much of Japan's wide variety of regional foods. The point is that in addition to economic considerations, there are also considerations of food as a main component of national identity and culture.

There is a rush by Japanese companies to set up production bases in foreign countries in an effort to just help the company survive the economic recession. More and more of Japan's raw and processed foods are being obtained from abroad. Let me ask you a few questions. Would it be a concern to you if traditional foods such as *senbei* and *konbu*, which are currently produced in local areas, were to become mainly imported? Would it bother you if a significant part of Japanese culture were to disappear, such that your food purchases during a *kanko* bus outing were imported from a foreign country rather than being made in the local area visited? Are you bothered by the news released the end of December 2001 that red bean seed native to Japan (used to make *anko*) was illegally brought to China from Hokkaido (apparently by a Japanese trading company) and is now serving as the very low cost source of these beans, thus driving Japanese producers out of business?

Japan's *Right* to Food Security

The term “food security” means many things depending on country, situation and point in time. For example, Japan is quite different from a very poor developing country where the concern among many people is simply food for survival. Japanese expect—and I strongly believe they have a *right* to expect—a stable, safe, secure supply of their everyday favorite foods prepared the way they want them. I believe Japanese should have the *right* to determine what they consider a “secure supply” of food, and to have that right included as part of WTO agreements regarding trade in agriculture. Each person has his or her own definition of food security. However, most people would probably agree that food security is a **basic right**. Actually, it is, and is guaranteed in the International Covenant on Economic, Social and Cultural Rights.

Food is Different

Well, what do you think? Doesn't Japan, or any country, have a *Right* to some nationally decided level of food production? Doesn't a country have a *Right* to set some maximum level of food imports? After all, Japan is not a country like Singapore, which does not have resources to produce much food. This is because, **technically**, Japan could increase its food production substantially. Thus, the situation is different from, say, oil, which Japan *must* import.

Is food different from manufactured goods? That is THE main question in the domestic food production rate issue. I believe food is different, and consequently deserves special treatment at the world level in trade negotiations. I believe that a country does have a *right* to some nationally decided level of domestic food production, and that Japan's case exemplifies the point.

People in many countries, such as the U.S., have never thought about domestic food production ratios, or food self-sufficiency ratios. They have never thought about what it

would be like to depend on other countries for 60 percent of their food as Japanese do. In the U.S. there is no need to, as the U.S. is a large net food exporter. The same is true in much of Europe.

Japanese are deeply philosophical and often suggest to me that they feel an obligation to buy imported food since Japan has such a trade surplus. In particular, many are quite concerned about the trade imbalance with U.S. My answer is they have no moral imperative to buy foreign produced food because (1) food is such a small part of trade with the U.S. and (2) food is different than manufactured goods, which is where the problem lies. I know that my countrymen including farmers deeply respect Japanese on a personal basis. They are very concerned about the same values that you hold such as human rights, and they are equally concerned about the same food related problems, such as food safety. The difficulty is that Japan has done an awful job of educating the rest of the world about Japan's food situation, and especially their right to maintain some minimum level of domestic food production.

There are a number of reasons apart from food security and risk often given about why Japan should maintain a basic food production level. Employment is a very important one as high proportions of farmers are aged and have no alternatives for their labor or capital investment. Another traditional reason, and a component of multifunctionality in agriculture, is that farmers are stewards of rural areas and their presence helps maintain natural resources as well as farmland. Another is that farming in mountainous areas helps in control of flooding and wildfires. Another is that agriculture is one of the basic elements of Japanese culture, and that farming helps maintain traditional customs

Consumers—Get Angry!

There are a few things that just overwhelm me, and one of them is the apathy of Japanese consumers toward improving or solving food related problems. I am not talking about the food safety problems inherent to food that occasionally come up, for example, the

E107 outbreak a few years ago or the beating Snowbrand took from its lax safety standards on milk. These situations happen in any country from time to time because food is a perishable good. Rather, if I were you and became aware of the crimes committed related to my food supply such as false and shoddy, uninformed labeling, I would get angry, identify needed changes, set up consumer action groups and get changes that benefit the citizens as a whole—and not just administrators and bureaucrats.

Some Final Words

Let me finish by saying that I have tried to emphasize 3 main points so far today. The first is that Japanese and Japan are very misunderstood by the rest of the world and that is a problem in international discussions and trade negotiations. The second is that Japan is going to get hammered at some point in agricultural trade negotiations or in setting up free trade agreements. As a result the food self-sufficiency rate is going to fall dramatically if Japanese do not stand up for their rights as provided for in United Nations covenants on human rights. Third is that Japan as a society is changing rapidly and not always in a positive way. I think it is time for consumers to identify specific problems, and get angry, and get active.

I have what I call “the control theory of life.” The point is that if you feel like you are in control and able to manage what is happening in your life, you will be happy. If you are overwhelmed and always having some problem and feel like you cannot cope with the events surrounding you, you will feel like you are out of control of your life and you will be unhappy. So the question is what you can do to be in control of your life. As consumers I have some questions for you.

Why can't citizen involvement in Japan be solicited to nurture a true democratic partnership in which all Japanese say, “this is my agriculture, food is life in the broadest sense, and I care about it.” Is continuation of the top-down Tokugawa mentality, in which consumers are pounded down if they attempt to manage their lives, good for Japan's future?

Will being a food trade prisoner be good for your family? Will it be good for your children?

Those are the questions that only you can answer.