

PolicyPennings by Dr. Daryll E. Ray

The Mad Cow story has more twists and turns

Some stories have more twists and turns than one can imagine and the Mad Cow issue is one of them. In May 2003 Canada announced that it had discovered one case of bovine spongiform encephalopathy (BSE) in an animal in Alberta province. The USDA immediately shut off the imports of Canadian beef and live cattle.

On August 8, 2003, the USDA announced that it would relax the ban to allow the import of boneless bovine meat from cattle under 30 months of age and boneless veal (meat) from calves that were 36 weeks of age or younger at slaughter. Ground and processed beef were clearly excluded from this list.

In November 2003, the USDA opened up a 60 day comment period on rules that in effect would allow the importation of Canadian beef and live cattle under 30 months of age into the U.S. This process was put on hold with the discovery of a BSE infected cow in Mabton, Washington just before Christmas 2003. The comment period was reopened in early 2004 with a close date set for April 7. In reopening the comment period, the USDA extended the opening to animals older than 30 months. As of the end of May 2004, the final rules have not been enacted.

On April 19, USDA posted a list of what they deemed to be low risk products that would be allowed into the U.S. These were products in addition to those that had been announced the previous August. Ground and processed beef were included in this list.

R-CALF, an organization of cattle producers, immediately filed an injunction prohibiting the USDA from allowing additional beef products including ground and processed beef to enter the U.S. until the final rules were published.

In the hearing on the injunction, the USDA attorney argued against the injunction on the grounds that the USDA had been allowing the importation of ground beef and other similar products since last fall. This was the first inkling that R-CALF, and those outside the USDA and a few cross-border packers, had that beef imports from Canada had not been limited to boneless beef from animals less than 30 months of age at time of slaughter. The judge granted the injunction.

R-CALF then went to the USDA Foreign Agricultural Service website to determine the extent of beef imports over and above those allowed by the August 8 memorandum. It was there that they confirmed the USDA attorney's statement. In fact, according to FAS records, 33 million pounds of ground and processed beef (such as pepperoni, jerky, hotdogs deli meats, partially cooked patties and frozen dinners), canned beef, bone-in beef cuts, and beef offal, all meat cuts not included in the August 8 memorandum, had come into the U.S. between September 2003 and February 2004. USDA has since argued that they only allowed 7.3 million pounds of these products into the U.S.

Once the Washington Post published the story, fur began to fly. Sen. Kent Conrad, D-ND, sent a letter to President Bush arguing that the USDA action in this matter "threatens to undermine our efforts to re-open export markets to U.S. beef that were closed because of BSE concerns." He also said, "I believe you should ask the Secretary of Agriculture to resign."

President Bush has not asked for and Veneman has not offered her resignation. In compliance with injunction of the U.S. District Court for the District of Montana, the import of these items has stopped until the new rules are promulgated.

All of this raises two questions, One, does the process of making rule changes without announcing them reduce the credibility of the USDA in negotiations with the Japanese on reopening their market to U.S. beef imports? Two, why was the decision to expand the list of importable beef products made in direct negotiations with the packers, and without any public announcement of the change?

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