



YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

The Weekly Observer

Jan. 29-Feb. 2

THIS WEEK IN NUMBERS

Opposition Demands More Commitment to Political Reform

During the **Q&A session with the prime minister** on Jan. 30-31, the opposition parties demanded more commitment from the LDP on political reform.

CDP leader Izumi Kenta demanded that the LDP investigate all its Diet members and publicly announce which members have underreported kickbacks.

The LDP agreed to submit a list of members who underreported kickbacks by **February 5** to avoid stalling tactics by the opposition on FY 2024 budget talks.

Prime Minister Kishida Fumio said that he would consider proposals to introduce new legislation to reinforce party governance and to implement a rule implicating lawmakers in association with arrested accountants.

The LDP also commenced hearings with Abe and Nikai faction members on Friday. **Disciplinary measures** may come from its findings.

BOJ Could End Negative Interest Rate Policy in March/April

On Wednesday, the Bank of Japan (BOJ) released a summary of opinions from its **monetary policy meeting** held last month from January 22-23.

The summary included the opinion that there is “**increasing momentum**” toward achieving a **virtuous cycle between wages and prices**, as wage hikes are expected to **exceed** that of last spring’s wage negotiations.

It also said **conditions are slowly being met** toward the **termination of negative interest rate policy**, which the market speculates could come **after the BOJ’s meeting either from March 18-19 or April 25-26**.

Cabinet Approval



21% (+5 pts.)

72% (-7 pts.)

[Mainichi Shimbun](#) (Jan. 29)

State of the Economy

Economic Conditions (January):
Slowly recovering (maintained)

Consumer Confidence Survey (January):
38 (+0.8 pt.)
Improved for 4th straight month

Employment Stats (2023):
Jobs-to-applicants: 1.31 (+0.03 pt.)
Unemployment: 2.6% (+/- 0)

Ag, Forestry, Fishery Exports (2023):
¥1.45 trillion (+2.9%; record high)
China down, U.S./HK up