



The Weekly Observer

September 29-
October 3

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

Takaichi Elected LDP President

On October 4, the ruling Liberal Democratic Party (LDP) elected former Economic Security Minister Takaichi Sanae as the next party president. She becomes the **first woman to hold the position** and the presumptive first female prime minister of the country.

Takaichi defied the odds — mostly favoring Agriculture Minister Koizumi Shinjiro — winning the first round 183-164 and **soundly defeating Koizumi in the run-off 185-156** to become the next party president. Takaichi's rejection of the Kishida-Isbiba moderate line, coupled with Koizumi's "play it safe" approach during the campaign, contributed to her victory.

Takaichi won **40 percent of the local party member vote** and **thirty-six out of forty-seven prefectures**. This is said to have swayed lawmakers on the fence to vote for her, as **neglecting the view of party members for the second straight year would hurt election prospects for individual lawmakers**. LDP

Supreme Advisor Aso Taro's **backing** also contributed to her winning an unexpected **40 percent** of Diet member votes in the first round, with many choosing to side with her as the right choice to bring the party back to its conservative roots.

The **extraordinary Diet session** is expected to be convened on **October 15**, meaning the country will have a separate prime minister and LDP president for approximately a week. Takaichi indicated that **she would prioritize winning back voters** rather than dissolving the Lower House right away to call an election.

Takaichi indicated that **forming a new coalition** for a stable government may "take some time," hinting at the possibility of a **partial policy-by-policy coalition**. While the main potential partners — the **Democratic Party for the People (DPFP)** and the **Japan Innovation Party (Nippon Ishin no Kai)** — indicate willingness to negotiate, **Komeito has threatened to leave the coalition** if she fails to address concerns around political reform and other issues.

Cabinet Approval



37% (-6 pts.)

57% (+4 pts.)

[Nihon Keizai Shimbun](#) (September 29)

State of the Economy

Monthly Economic Report (Sept.):

"Recovering at a moderate pace, while the effects caused from U.S. trade policies are seen mainly in the automotive industry"

Consumer Confidence Index (Sept.):

35.3 (+0.4 pt.)

1st improvement in 2 months

Maintained assessment that there are signs of recovery

Employment Statistics (Aug.):

Jobs-to-applicants ratio: 1.20x (-0.02 pt.)

Job openings: 2.25 million (-3.6%)

Unemployment: 2.6% (+0.3 pt.)