



The Weekly Observer

November 3-7

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

Takaichi Kickstarts Discussions on Flagship Policies

On Monday, the **Japan Growth Strategy Headquarters** — one of Prime Minister Takaichi Sanae's flagship policy areas — convened for the first time to begin discussions toward crafting a **new growth strategy by next summer**. Ministers have been assigned to each of the areas.

The GOJ identified **seventeen strategic areas** for focused investments: AI/semiconductors; shipbuilding; quantum; synthetic biology/bio; aerospace; digital/cybersecurity; contents; food tech; resources/energy security/GX; disaster management/building national resilience; drug development/cutting-edge medical care; fusion energy (nuclear); material (critical minerals/materials); port logistics; defense industry; information communications; ocean.

Meanwhile, the GOJ also convened the **ministerial meeting to discuss policies to realize a harmonious and cohesive society with foreign**

nationals — another one of Takaichi's flagship policy areas.

Takaichi instructed relevant ministers to begin work on three areas toward **crafting comprehensive measures by January 2026**: 1) compliance with existing rules and the proper functioning of various systems like residence status screening; and 2) the appropriate use and management of national land and acquisition by foreign nationals. She stressed that the measures are not xenophobic in any way.

Nikkei reported Wednesday that the Takaichi Administration is preparing a **stimulus package** by end of month in the scale of approximately **over ¥10 trillion**, with the need to enact a FY 2025 supplementary budget by December 17.

Measures fall under three buckets: : 1) **inflation relief measures**; 2) **crisis management and growth investments**; and 3) **reinforcing defense** by spending over ¥1 trillion to reach the 2 percent GDP spending target by the end of FY 2025.

Cabinet Approval



82% (+38 pts.)

14% (-39 pts.)

[JNN](#) (November 2)

State of the Economy

Economic Conditions Report (Oct.): Maintained assessment that economy is "gradually recovering" for the 9th consecutive quarter

Wage Statistics (September):

Real: -1.4% from Sept. 2024
Nominal: ¥297,145 (+1.9%)

Real Consumption (September):

¥303,214 (+1.8%)
5th consecutive month of growth

Average Summer Bonuses (2025):

¥426,337 (+2.9%)
Increased for 4th consecutive year, though gap between large and small businesses is getting larger