



# The Weekly Observer

November 10-14

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

## Takaichi's Taiwan Statement Draws Sharp Chinese Rebuke

Prime Minister Takaichi Sanae's remarks in the Diet last week on how a Taiwan contingency may trigger a collective self-defense response from Japan based on designation as a "survival threatening situation" under the peace and security legislation has heightened tensions with China.

Over the weekend, **Chinese Consul General Xue Jian** wrote on X that **Takaichi's "filthy neck must be cut off without a moment's hesitation,"** resulting in strong rebuke from the Japanese Government.

The statement was said to have **overstepped a careful line drawn by former prime ministers** on whether Japan would get involved in a Taiwan contingency. Takaichi's reference to a "survival threatening situation" could be seen as a **commitment to direct intervention** in a conflict between China and Taiwan.

Xue's post on X prompted severe

backlash from the Diet, with the ruling Liberal Democratic Party's (LDP) Foreign Affairs Division voting to urge the GOJ to take action, including declaring Xue persona non grata for the inappropriate post. The LDP also urged its members to refrain from attending an event hosted by the Chinese Consulate General in Osaka.

While the GOJ maintained that Takaichi's remarks did not change Japan's basic position, the **PRC Foreign Ministry summoned Japanese Ambassador to China Kanasugi Kenji on Friday to express "strong protest" and withdrawal of the remarks,** stating that the people of China will not tolerate such a position. The Ministry of National Defense also warned that **Japan would "pay a terrible price"** should it intervene in a Taiwan contingency.

The rift could continue in the long-term and **affect the Japanese economy,** especially areas like tourism and manufacturing that depend heavily on imports from China.

## Cabinet Approval



**66%** (+27 pts.)

**15%** (-27 pts.)

[NHK](#) (November 10)

## State of the Economy

### Economy Watchers Survey (Oct.):

DI: 49.1 (+2 pts.)

Raised assessment to "picking up"

### Corporate Goods Price Index (Oct.):

127.5 (+2.7%)

### Trade Statistics (FY 2025 H1):

¥17.51 trillion current account surplus (+14.1%) | Largest half-year surplus  
¥3.3 trillion travel balance surplus (+7.7%)

### Coincident Index of Business Conditions (September):

114.6 (+1.8 pts.)

1<sup>st</sup> improvement in 3 months

Maintained assessment at "halting to fall"