



# The Weekly Observer

January 26-30

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

## Lower House Election Begins on January 27

On Tuesday, the sixteen-day campaign period for the **Lower House election** began. A total of 1,285 candidates will be competing for 465 seats.

Of the total, **313 are women, making up 24.4 percent of the candidates** and breaking the record high of 23.4 percent made in 2024. The **ruling Liberal Democratic Party (LDP)** is in competition with its partner **Japan Innovation Party (Nippon Ishin no Kai)** in **eighty-five single-member districts**

**LDP Election Strategy HQ Chair Furuya Keiji** said on January 31 that the LDP aims for a **majority on its own** (233 seats) and a **stable majority** (243) or **absolute stable majority** (261) with Ishin. The **four scenarios** are: 1) the LDP and Ishin getting over a majority, 2) the LDP getting a majority on its own, 3) the LDP and Ishin failing to get a majority, and 4) the **Centrist Reform Alliance (CRA)** becoming the largest party.

As Prime Minister Takaichi Sanae aims to secure a majority — promising to resign if she fails to do so — the **LDP and CRA are in competition in two hundred single-member districts**, while the opposition has failed to unite and are in competition in multiple districts as well.

During the party leaders' debate at the Japan National Press Club on Monday, **seven ruling and opposition parties agreed to a consumption tax cut on food and beverages**. The parties disagree on the timing and scope. Meanwhile, **financial markets are concerned** about expansionary fiscal policy and pressure on long-term interest rates.

**Early media polls project that the LDP is on course to secure a majority on its own, with the CRA expected to lose a significant number of seats**. Meanwhile, *Ishin* and the DFPF are expected to maintain similar levels of seats; *Sanseitō* and Team Mirai are expected to make major gains.

## Cabinet Approval



**57%** (-10 pts.)

**29%** (+7 pts.)

[Mainichi Shimbun](#) (Jan. 26)

## State of the Economy

**Economic Situation Report (Jan.):** Economy is “gradually recovering” 10<sup>th</sup> consecutive quarter the assessment has remained the same

**Labor Market Statistics (2025):** Jobs-to-applicants ratio: 1.22x (-0.03 pt.)  
2<sup>nd</sup> consecutive year the ratio fell  
Unemployment rate: 2.5%

**Services Producer Price Index (Dec. 2025):** 112.5 (+2.6%)  
Smaller rate of increase compared to November