



The Weekly Observer

February 23-27

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

Japan's Response to the Situation in Iran

On February 28, Prime Minister Takaichi Sanae spoke to reporters about the situation in Iran, emphasizing that the GOJ will take "all possible measures to ensure the protection of Japanese nationals" in the Middle East.

Chief Cabinet Secretary Kihara Minoru said on March 1 that "Iran's development of nuclear weapons must never be permitted in order to maintain the international nuclear non-proliferation regime." He said that while no immediate impact has been reported on oil supply, the GOJ will "make every effort to ensure a stable supply of energy in Japan."

Minister for Foreign Affairs Motegi Toshimitsu issued a statement reiterating these points, as well as the fact that Japan has strongly supported talks between the United States and Iran to resolve Iran's nuclear issue. He said that Iran must stop its development of nuclear weapons and actions that destabilize the region.

China Targets 20 Companies in Latest Dual-Use Ban

On Tuesday, the Chinese Ministry of Commerce announced that twenty Japanese companies and organizations, including defense industry companies like Mitsubishi Heavy Industries Aero Engines, have been added to the export ban list related to dual-use items. It also bans third-party transfers to these companies. A further twenty companies were put on a watchlist requiring stricter export screening.

In response, Ministry of Foreign Affairs (MOFA) Director-General Kanai Masaaki of the Asian and Oceanian Affairs Bureau strongly protested and demanded the withdrawal of measures to Chinese Deputy Chief of Mission Shi Yong. Japan argues that the measures only target one country, deviating from international practice.

On Thursday, Takaichi stated that this is "absolutely unacceptable and deeply regrettable" and that Japan will diversify supply chains to reduce dependence on any single country.

Cabinet Approval



61% (+4 pts.)

25% (-4 pts.)

[Mainichi Shimbun](#) (Feb. 23)

State of the Economy

Monthly Economic Report (Feb.): Economy is recovering at a moderate pace, while the effects caused from the U.S. trade policies remain (18th consecutive month the same)

"Automotive industry" taken out from the January report

Services Producer Price Index (Jan.):

111.9 (+2.6%)

Growth rate remained same as Dec.

Births in 2025:

705,809 (-2.1%)

10th straight year hitting all-time low
Number of births declined 30% in the last 10 years