



The Weekly Observer

May 11-15

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

Bessent Visits Japan Before the Trump-Xi Summit

On Sunday, U.S. Secretary of the Treasury Scott Bessent posted on X that he will be visiting Japan ahead of President Trump's visit to China to meet with Prime Minister Takaichi Sanae, Minister of Finance Katayama Satsuki, and other government officials.

On Tuesday, Bessent explained that he discussed "the very strong U.S.-Japan bilateral relationship, U.S.-Japan strategic investment, critical minerals, and President Trump's visit to China" with Takaichi.

Bessent met with Katayama the same day, exchanging views on a wide range of global economic issues like the prospects for the situation in the Middle East and its implications for financial markets and responses to growing cyber threats associated with advances in AI.

Bessent also met with Minister for Foreign Affairs Motegi Toshimitsu and Minister of Economy, Trade and Industry Akazawa Ryosei.

GOJ Scrambles to Address "Claude Mythos" Risks

On Tuesday, Takaichi instructed relevant Cabinet ministers to prepare measures against high-performance AI models like Anthropic's Claude Mythos that may be used to attack critical infrastructure. Mythos is said to be capable of dramatically enhancing the ability to identify IT system vulnerabilities.

Minister for Digital Transformation Matsumoto Hisashi revealed after the meeting that a cross-ministry council will be set up with the National Cyber Office in the lead. The council will meet for the first time on May 18. The GOJ plans to expand the target of enhanced cybersecurity measures to the fifteen critical infrastructure sectors, including telecommunications and utilities.

On Friday, former Digital Minister Taira Masaaki met with an Anthropic executive, who informed him that the company "would like to cooperate fully in any way possible."

Cabinet Approval



61% (+/-0 pt.)

23% (+1 pt.)

[NHK](#) (May 11)

State of the Economy

Economy Watchers Survey (April):

DI: 40.8 (-1.4 pts. from March)
2nd consecutive month index fell

Maintained assessment that "economy has recently shown some weakness in its movement of picking up"

Current Account Balance (FY 2025):

¥34.52 trillion surplus (+15%)
3rd consecutive year hit record high

¥1.36 trillion trade surplus

Corporate Goods Price Index (April):

132.8 (+4.9%)
Growth rate increased by 2 pts.