The Weekly Observer

August 24-28

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

Japanese Lawmakers Visit China

On Thursday, a delegation of Japanese Diet members led by **opposition Centrist Reform Alliance (CRA) Public Relations Chairperson Isa Shinichi** met **Lu Kang, deputy minister of the Chinese Communist Party's (CCP) International Department** in Beijing. The delegation included **Komeito lawmaker Kawamura Yudai** and **Liberal Democratic Party (LDP) lawmaker Hashimoto Gaku** (did not meet Lu).

Isa explained that the Japanese side proposed the **resumption of cultural and youth exchanges**, as well as the **release of detained Japanese nationals** and requested that **China "ensure transparency" regarding its export controls.** This is the first time Japanese Diet members visited China since Prime Minister Takaichi Sanae's Taiwan contingency remarks in November 2025.

Lu reportedly said that **China will not change its approach to Japan unless Japan's position on Takaichi's remarks change.**

GOJ Announces Energy Security and Inflation Relief Measures

On Wednesday, the GOJ adopted an **energy policy package called "POWERR GX"** in light of the turmoil in the Middle East. The GOJ will **provide subsidies to cover the increased transportation costs** incurred by businesses that procure **crude oil and naphtha** without passing through the **Strait of Hormuz.**

The GOJ plans to establish a **subsidy program for petroleum wholesalers and other entities** that secure multiple supply regions and routes, such as the **Port of Fujairah in the United Arab Emirates and the Port of Yanbu in Saudi Arabia**. Imports from outside the Middle East, like from the **United States, Algeria, or Peru** could also be covered by the program. The GOJ aims to submit related bills to the Diet this fall.

METI Minister Akazawa Ryosei said Tuesday that **crude oil procurement** in September is expected to reach 80 percent of the average for the same month last year.

THIS WEEK IN NUMBERS

Cabinet Approval

41% (+/-0 pt.)

44% (+/- 0 pt.)

Mainichi Shimbun (August 24)

State of the Economy

Monthly Economic Report (Aug.):
Maintained assessment that the economy is "recovering at a moderate pace, while attention should be given to the effects caused from the situation in the Middle East and natural disasters."

Job Statistics (July):
Jobs-to-applicants ratio: 1.18 (same as June)
While the core assessment remained unchanged, the expression "natural disasters" was included, the first tweak in language in five months

Unemployment: 2.4% (-0.1 pts.)