The Weekly Observer

September 7-11

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

Japanese Delegations Seek Breakthrough with China

On Friday, **Japan-China Friendship Parliamentarians' Union Chairman Moriyama Hiroshi** announced that a delegation of eight Diet members led by the **ruling Liberal Democratic Party's (LDP) Komura Masahiro** will **visit Beijing from September 13-15** to meet with the Chinese People's Association for Friendship with Foreign Countries.

The Union seeks to **resume a channel of communication** between Japan and China, which has been suspended since **Prime Minister Takaichi Sanae's remarks on a Taiwan contingency** last November. Komura is the son of Komura Masahiko, ex-LDP vice president who served as union chairman.

While younger Diet members seek to engage China, **The Japan Association for the Promotion of International Trade (JAPIT),** a business group chaired by **former Foreign Minister Iwaya Takeshi,** is also arranging a four-day delegation visit to Beijing from September 27.

CRA Disbands After 7 Months

On Wednesday, **opposition Centrist Reform Alliance (CRA) decided that it will disband the party** just seven months after its creation, leaving one lawmaker to handle administrative tasks. Lawmakers who joined from the **Constitutional Democratic Party (CDP) will form a new party** (twenty), while those from Komeito (twenty-eight) will return to Komeito.

The CRA is taking a **"split" approach** rather than disbanding the party altogether. This **enables the party to receive political party grants (taxpayer money)** until the end of the year. The party is being criticized for taking this approach, which gives them funding (**¥1.17 billion** in the remaining months of the year) despite effectively ending political activities as a party.

On Friday, leader Ogawa Junya stated that he hopes to reach "some conclusion" on forming a new political party next week. It is unclear whether all twenty former CDP lawmakers will join this new party.

THIS WEEK IN NUMBERS

Cabinet Approval

63% (+3 pts.)

35% (-3 pts.)

JNN (September 6)

State of the Economy

Corporate Goods Price Index (Aug.):
136.1 (+7.6% from Aug. 2025
3rd consecutive month above 7%

Corporate Bankruptcies (Aug.)
830 with liabilities of ¥10 million+
A 3% increase from Aug. 2025
Food and beverages industry saw 43% increase in bankruptcies

Current Account Balance (July):
¥2.99 trillion surplus (+15.6%)
1st time in 2 months hitting surplus
Travel balanced exceeded previous month for 1st time in 5 months

Real GDP Growth (April-June):
0.4% quarterly, 1.4% annually