

The Weekly Observer

September 21-25, 2026

The 243rd edition of the weekly newsletter aggregating news on Japanese politics. This week focuses on Prime Minister Takaichi and Foreign Minister Motegi's attendance at the UN General Assembly session, ex-Foreign Minister Iwaya leading a business delegation to China, a new defense procurement system to promote startup technology, the formation of a new opposition party called the Democratic Reform Party, online review for Japan's CFIUS, Finance Minister Katayama's phone call with U.S. Secretary of the Treasury Scott Bessent, population estimates for the elderly population, and more.

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I. News of the Week

1. PM Takaichi Attends UN General Assembly Session

- Prime Minister Takaichi Sanae [attended](#) the United Nations General Assembly in New York from September 22-23. Takaichi [addressed](#) the General Assembly, pointing out the importance of upholding a free and open international order based on the rule of law amid difficult challenges on multiple fronts. She expressed Japan's "consistent support" for the International Criminal Court (President Akane Tomoko), which has come under sanctions from the United States.
- Takaichi stated that ensuring free and safe navigation through the Strait of Hormuz for all vessels without additional costs is extremely important not only for the security of the Middle East, but also for the stability of the global economy. She said that while advances in AI bring tremendous opportunities for humanity, they also pose challenges related to national security. She added that it is Japan's mission to lead international efforts towards a "world without nuclear weapons."
- Takaichi [met](#) with U.S. President Donald Trump during her visit to New York, agreeing to further strengthen cooperation on a wide range of fields including economic security and security. The two leaders exchanged views on issues related to China ahead of the U.S.-China Summit meeting, agreeing that the two countries will coordinate closely on such matters.
- Takaichi had a [brief phone call](#) with Trump on Saturday following his summit meeting with Chinese President Xi Jinping. The two leaders reaffirmed the unwavering Japan-U.S. alliance and agreed that they will contribute to the peace and stability of the region and the world together. Takaichi [confirmed](#) that the two countries have "now become allies who trust each other more than ever," following concerns over Trump referring to China as an ally in World War II.
- Takaichi [met](#) with Ukrainian President Volodymyr Zelenskyy in New York, reaffirming that Japan would continue to stand with Ukraine and Japan's position on the war would never waver. She stated that Japan would work to support Ukraine and impose sanctions against Russia together with the international community.
- Takaichi [met](#) with President Recep Tayyip Erdoğan of Türkiye, stating that Japan wishes to further strengthen economic relations through the early conclusion of the Economic Partnership Agreement (EPA) and to deepen defense cooperation, including in the field of defense equipment and technology.

2. Foreign Minister Motegi Attends UN General Assembly Session

- Minister for Foreign Affairs Motegi Toshimitsu [attended](#) the UN General Assembly in New York from September 21-24. On Monday, he attended the G7 Foreign Minister's Meeting, discussing the situation in Ukraine and the Indo-Pacific, including China. The ministers [issued](#) a statement on Bab al-Mandab and navigational rights and freedoms, condemning in the strongest terms the unacceptable continued strikes carried out by the Houthis in Yemen and against Saudi Arabia.
- Motegi [attended](#) the Japan-U.S.-ROK trilateral foreign ministers' meeting the same day, reaffirming that the solidarity among the three countries is pivotal to regional peace and stability. They welcomed steady progress in cooperation of security, including joint exercises and cybersecurity, and of economic security and energy, and agreed to advance cooperation on international disaster relief and capacity-building. Motegi also [met](#) with U.S. Secretary of State Marco Rubio and discussed China, Iran, and the International Criminal Court.
- On Tuesday, Motegi [attended](#) the meeting of the foreign ministers of the G4 countries — Japan, Brazil, Germany and India. The joint statement [issued](#) after the meeting emphasized that it is crucial to implement UN Security Council reform at the earliest so that the Council is “fit-for-purpose, truly reflecting contemporary geopolitical realities.”
- Motegi [co-chaired](#) the Twelfth Ministerial Meeting of the Friends of the Comprehensive Nuclear-Test Ban Treaty (CTBT) with Australian Foreign Minister Penny Wong. In his statement, Motegi emphasized the increasingly vital role the CTBT plays amidst an international security environment that is growing increasingly severe and complex, including in the area of nuclear disarmament. Motegi underscored the importance of working toward the universalization of the CTBT.
- On Wednesday, Motegi [attended](#) the Foreign Ministers' Meeting “Reinforcing Maritime Cooperation to Achieve a Secure and Stable Maritime Domain,” stating that compliance with international law is of paramount importance. He stated that it is utmost important to recover free and safe navigation through the Strait of Hormuz and the Bab el-Mandeb Strait. He highlighted that no additional costs can be accepted regarding the Strait of Hormuz.
- On Thursday, Motegi [attended](#) the High-Level Ministerial Global Alliance for the Implementation of the Two-State Solution. He stressed that Japan, which is committed to upholding a free and open international order based on the rule of law, has been calling upon Israel to immediately cease any unilateral actions including settlement activities and to ensure smooth humanitarian access.

3. Foreign Policy Developments

- On Friday, the Ministry of Foreign Affairs (MOFA) [announced](#) that, due to irregularities in official development assistance (ODA) projects, it had imposed sanctions barring “Impact World” from participating in ODA procurement contracts for five months and “POLY-GLU SOCIAL BUSINESS” for three months. According to MOFA, Impact World submitted fictitious invoices totaling approximately ¥4.47 million for a project in Rwanda, while POLY-GLU used only a portion of chemicals specified in a water supply project in Tanzania, resulting in an overpayment of approximately ¥10.92 million in procurement costs.
- The GOJ [announced](#) that Prime Minister Nyam-Osoryn Uchral of Mongolia will travel to Japan from September 27-30 for a summit meeting with Takaichi. This is Uchral’s first visit to Japan since assuming office in March. The two countries elevated bilateral relations to a “special strategic partnership for peace and prosperity” in 2022.
- *Nikkei* [reported](#) that Minister of Justice Yamashita Takashi will travel to the United Arab Emirates (UAE) from September 25-27 to attend the UN Congress on Crime Prevention and Criminal Justice. The Congress is convened once every five years, with the previous one held in Kyoto in 2021. The Kyoto Declaration was adopted as a set of guidelines for actions that the countries should undertake.
- On Thursday, former Minister for Foreign Affairs Iwaya Takeshi [revealed](#) that he plans to lead a delegation of the Japan Association for the Promotion of International Trade (JAPIT) from September 27. Numerous legislative and business delegations have resumed dialogue with Chinese officials.
- Iwaya assumed the presidency at JAPIT following former Speaker of the House Kono Yohei’s death in June. The group aims to resume high-level engagements with Beijing following a suspension of such talks since Takaichi’s November 2025 remarks concerning a hypothetical Taiwan Strait contingency.

4. Security/Defense Developments

- *Mainichi* [reported](#) Saturday that the MOD has decided to deploy the JGSDF’s long-range missile, the “Type 25 Surface-to-Ship Guided Missile,” in the Japan-U.S. joint integrated exercise “Keen Sword” which begins in October. The Type 25 is tasked with carrying out counterstrike capabilities. It was deployed to the JGSDF’s Camp Kengun in Kumamoto at the end of March.
- On Friday, the Ministry of Defense’s (MOD) Okinawa Defense Bureau [announced](#) that the U.S. Army’s “Typhoon” medium-range missile system, which is temporarily deployed at the JMSDF’s Kanoya Air Base in Kagoshima, will be withdrawn by mid-October and stored at Kadena Air Base in Okinawa. The MOD claims that the

U.S. side has explained that this is not a permanent deployment to Japan; however, there is a risk that it could lead to a long-term deployment, and tensions with China, which falls within the system's range, could escalate.

- Minister of Defense Koizumi Shinjiro [announced](#) that the MOD will launch a new procurement system starting in October designed to promote the production of defense equipment utilizing technologies developed by startups. The goal is to establish a system that enables the early mass production of equipment incorporating cutting-edge technologies, such as drones.
- *Yomiuri* [reported](#) that the MOD has begun considering the introduction of “bodyguard satellites” to defend Japan’s satellites from “killer satellites” in space, with the goal of establishing a fleet of six satellites by FY 2035. The aim is to strengthen Japan’s space defense capabilities, with an eye on China and Russia, which are developing killer satellites.
- *Nikkei* [reported](#) Thursday that Takaichi has become more cautious about setting a specific target for defense spending as a percentage of GDP five years from now, as she believes it will be difficult to raise defense spending to the level sought by the United States (3.5 percent of GDP) within five years. Proposals have emerged to use a reference figure or to set a long-term target spanning ten years or more.
- On Sunday, the MOD announced in the [afternoon](#) and [early evening](#) that North Korea launched at least one ballistic missile each, which landed outside Japan’s exclusive economic zone. Koizumi [revealed](#) that the number of launches this year has more than doubled from last year, already counting ten.

5. Key Political Developments

- *Nikkei* [reported](#) Saturday that the cross-party Lower House Election System Reform Council’s agreement document references the reduction of Lower House seats, stating that, in conjunction with a review of the current single-member district and proportional representation system, “efforts will be made to reach a concrete conclusion.” The goal is to come to a conclusion on reform by the end of October.
- On Friday, the ruling Liberal Democratic Party (LDP) [informed](#) the Constitutional Democratic Party (CDP), the main opposition party in the Senate, that the GOJ and ruling parties plan to convene the extraordinary Diet session on October 5 running until December 12 (sixty-nine days). The CDP side asked for “proper management” of the Diet session.
- The GOJ [convened](#) the National Intelligence Council, determining the key areas of focus in future discussions. It also [announced](#) the establishment of a

seventeen-member expert panel, which will [meet](#) for the first time on September 28, to discuss the National Intelligence Strategy, the anti-espionage act, and setting up the Japanese version of the Central Intelligence Agency (CIA).

- On Thursday, the former CDP members of the soon-to-be disbanded Centrist Reform Alliance (CRA) [established](#) the Democratic Reform Party. Eighteen out of twenty lawmakers joined the new party, with the exception of former CDP leader Izumi Kenta and Oshima Atsushi. The party falls back to the fifth largest group in the Lower House. However, it [joined forces](#) with Komeito, which was also part of the CRA, in the Lower House, forming the largest opposition caucus made up of forty-seven lawmakers.
- The LDP [compiled](#) a draft proposal calling for the introduction of a “permit system” under which the GOJ would conduct prior reviews of whether to acquire land in certain areas critical to national security, such as those surrounding JSDF facilities. Under current law, the GOJ may investigate how the land is being used and issue recommendations or orders subject to penalties to halt any activities that impair the facilities’ functions. However, there are no restrictions on the acquisition of land. The GOJ plans to amend the land restriction bill this fall.
- The ruling and opposition parties [held](#) a meeting to discuss social media regulations for elections. They discussed a draft agreement that includes recommended actions for service providers to ensure fair elections. Based on this, the Ministry of Internal Affairs and Communications (MIC) will develop guidelines for service providers. Proposals such as giving priority to official websites and suspending payments have been put forward. The draft also outlined nine recommended practices, including measures for monetization, policies regarding AI-generated content, and the implementation of a priority display feature.

6. Economic Security and Tech Developments

- *Nikkei* [reported](#) Friday that the GOJ plans to transition the acceptance of applications for preliminary reviews, as part of the operations of the “Committee on Foreign Investment in Japan,” which screens foreign investment in Japan, to an online system in principle as early as FY 2028. The number of applications in FY 2025 exceeded three thousand. This move is intended to improve the efficiency of the review process.
- Currently, the Bank of Japan (BOJ), acting as an intermediary, accepts applications for preliminary screening online or in writing. Most applications are submitted in writing. Under the current system, Ministry of Finance (MOF) staff who receive

applications from the BOJ manually enter the necessary information into a computer and share it with the committee.

- *Nikkei* [reported](#) that the Children and Families Agency has begun developing detailed policy frameworks for measures to protect children on social media. The Agency views age verification as a prerequisite for regulation and is moving toward requiring social media providers and others to implement effective methods. The use of My Number cards and smartphone operating systems (OS) has emerged as potential options for age verification.
- *Nikkei* [reported](#) Thursday that the Ministry of Economy, Trade and Industry (METI) will begin full-scale support for software development starting in FY 2027, with the aim of putting “error-correcting” next-generation quantum computers, which offer high performance, into practical use. While support has thus far focused primarily on hardware and materials used in computers, the scope of support will be expanded.
- Quantum computers currently available are vulnerable to environmental noise, such as external heat and electromagnetic waves, and errors may prevent them from arriving at the correct answer. To address this challenge, competition is expected to intensify in the development of “fault-tolerant universal quantum computers (FTQCs),” which excel at error correction.

7. Key Economic/Financial Developments

- On Friday, Minister of Finance Katayama Satsuki had an [online meeting](#) with U.S. Secretary of the Treasury Scott Bessent. She told reporters after the meeting that, “We reaffirmed that the undervaluation of the yen, which was also discussed at the Japan-U.S. summit, is a problem.” The yen [temporarily fell](#) to the low ¥159-range against the dollar on Thursday, a result of dollar purchases surging on speculation that the Federal Reserve would raise interest rates again as early as October.
- The yield on newly issued ten-year JGBs, a benchmark for long-term interest rates, [temporarily rose](#) to 3.115 percent. It set a new record high for the second consecutive day, reaching its highest level since August 1996. Concerns about inflation driven by high oil prices are intensifying, leading to rising interest rates worldwide. In Japan, too, bond selling gained the upper hand.
- Chubu Electric Power [announced](#) that it had submitted a request to the Nuclear Regulation Authority (NRA) to withdraw its application for the review to restart Hamaoka Nuclear Power Plant’s No. 3 and 4 units in Shizuoka. The No. 3 reactor review application was submitted in 2015, while the No. 4 reactor application was submitted in 2014. A faulty data scandal forced withdrawal.

- *Nikkei* [reported](#) Thursday that the GOJ will provide up to ¥3.5 million in subsidies to small and medium-sized enterprises for cash register updates in preparation for the reduction in the consumption tax rate on food and beverages scheduled to start in April 2027. The GOJ aims to support the register update process, which is expected to take about six months. The subsidy period runs from September 15 to March 2027.
- On Wednesday, METI [announced](#) that Minister Akazawa Ryosei visited Manila, the Philippines, from September 20-21 for the ASEAN economic ministerial meeting and Bangkok, Thailand, from September 22-23. Akazawa [announced](#) that Japan and ASEAN agreed to begin a study aimed at expanding the EPA in areas of mutual interest like energy security, AI, and supply chain resilience.

8. State of the Economy

- On Sunday, the MIC [released](#) population estimates for people aged sixty-five and older as of September 15 to coincide with “Respect for the Aged Day.” The number of elderly people [stood](#) at 36.24 million, an increase of 20,000 from the previous year, the first increase in two years. Their share of the total population rose by 0.2 percentage points to 29.6 percent, setting a new record high since comparable data became available in 1950.
- According to the MIC, the aging rate has been rising steadily since 1950 (4.9 percent). Estimates from the National Institute of Population and Social Security Research indicate that this trend will continue, with the rate projected to reach 34.8 percent in 2040 — when the generation born during the second baby boom (1971-1974) turns sixty-five or older — and 37.1 percent in 2050.
- Furthermore, Japan’s proportion of the elderly population (29.6 percent) was the highest among the thirty-nine countries worldwide with populations of forty million or more. Italy ranked second at 25.6 percent, followed by Germany at 24.2 percent and France at 22.9 percent.
- Looking at the number of elderly people by gender, there are 20.54 million women (32.6 percent of the female population) and 15.71 million men (26.3 percent of the male population). By age group, the number of people aged seventy and older increased by 80,000 to 29.11 million (23.7 percent of the total population); those aged seventy-five and older increased by 430,000 to 21.68 million (17.7 percent of the total); and those aged eighty and older decreased by 30,000 to 12.88 million (10.5 percent of the total).
- According to the MIC’s Labor Force Survey, the number of employed people aged sixty-five and older reached a record high of 9.43 million in 2025, marking the twenty-second consecutive year of increase. The proportion of those aged sixty-five

and older among the total workforce also hit a record high of 13.8 percent. The agriculture and forestry industry had the highest share of workers aged sixty-five and older at 50.6 percent, followed by real estate and rental services at 29 percent.

II. Public Opinion Poll

- A *Nikkei* poll [released](#) on Monday found that the Takaichi Cabinet’s approval rating was 62 percent, the same as August, while disapproval rose one point to 33 percent.
 - 49 percent of respondents said that they approve of the new Cabinet and LDP leadership lineup after the reshuffle, while 38 percent said they disapprove.
 - 49 percent of respondents said that they approve of *Ishin* joining the Cabinet, while 36 percent said they disapprove.
 - 64 percent of respondents said that they do not believe it is appropriate to appoint slush fund implicated lawmakers to the Cabinet, while 27 percent said they believe it is appropriate.
 - 65 percent of respondents said that they believe it is appropriate to re-appoint Katayama Satsuki and Kiuchi Minoru to economic policy-related Cabinet posts, while 23 percent said they do not believe it is appropriate.
 - 54 percent of respondents said that they believe Takaichi’s “responsible proactive fiscal policy” will have a positive effect on the economy, while 28 percent said they believe it will have a negative effect.
 - 53 percent of respondents said that they support the two-year reduction in the food consumption tax to one percent, while 41 percent said they oppose it.
 - 47 percent of respondents said that they want Takaichi to continue as prime minister for as long as possible; 36 percent said until her tenure as LDP president ends in September 2027; and 14 percent said she should be replaced as soon as possible.
 - 52 percent of respondents said that they believe the parties making up the CRA should pursue independent activities after disbandment, while 38 percent said they believe the three parties should unite as much as possible.
- The survey also collected data on the latest approval ratings of political parties.

Political Party	Approval Rating (%)
Liberal Democratic Party	41 (+2)
Centrist Reform Alliance	1 (-1)
Japan Innovation Party	4 (±0)
Democratic Party for the People	4 (-1)

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Suffrage Party (Sanseitō)	5 (+1)
Team Mirai	2 (-1)
Japan Communist Party	4 (+1)
Reiwa Shinsengumi	N/A (-)
Japan Conservative Party	2 (+1)
Socialist Democratic Party	N/A (-1)
Constitutional Democratic Party	4 (-1)
Komeito	2 (± 0)
Independent (No Party)	24 (-3)