

Japan's Week in Politics: Economic Resilience, Defense Shifts, and Geopolitics

Japan Politics · Answer Key · 8 Questions

1. According to recent economic reports, Japan's GDP expanded by what percentage on an annualized basis in the first quarter of 2026, exceeding economists' forecasts?

- A) 1.5%
- B) 2.1%**
- C) 1.9%
- D) 2.5%

2. Prime Minister Sanae Takaichi recently announced an update to Japan's Free and Open Indo-Pacific (FOIP) framework, marking ten years since its initial launch. What is a primary focus of this updated framework?

- A) Expanding cultural exchange programs with South Korea
- B) Increasing economic security and supply-chain resilience within the Indo-Pacific**
- C) Reducing military spending and focusing solely on humanitarian aid
- D) Establishing a new trade bloc exclusively with North American nations

3. Japan's government recently approved a significant shift in its defense policy, which includes the removal of longstanding restrictions on defense exports. To which category of countries are lethal weapons now permitted to be exported, provided they are not actively engaged in conflict?

- A) All United Nations member states
- B) Only G7 member states
- C) 17 countries with whom Japan has signed defense equipment and technology transfer agreements**
- D) Only countries bordering the Pacific Ocean

4. In response to escalating tensions in the Middle East and their impact on energy prices, the Japanese government is considering a supplementary budget. Approximately how much is this supplementary budget being considered for fiscal 2026?

- A) 1 trillion yen
- B) 3 trillion yen**
- C) 5 trillion yen
- D) 7 trillion yen

5. Japan's House of Representatives recently passed a bill to establish a new government agency. What will be the primary function of this agency?

- A) Overseeing the stock market
- B) Managing cultural heritage sites
- C) Overseeing the government's disaster prevention and response measures**
- D) Regulating foreign investment

6. A recent update to Japan's Foreign Exchange and Foreign Trade Act (FEFTA) aims to strengthen its foreign direct investment review regime. Which of the following is a key element of this proposed amendment?

- A) Excluding all indirect acquisitions of Japanese companies
- B) Codifying covenants provided for approvals into 'Risk Mitigation Measures'**
- C) Reducing anti-circumvention measures for domestic investors
- D) Limiting government intervention to only sensitive industries

7. Japan's economic growth in the first quarter of 2026 was supported by stronger-than-expected private consumption and trade. What accounted for over 50% of Japan's GDP in this period?

- A) Business investment
- B) Net exports
- C) Government spending
- D) Private consumption**

8. Prime Minister Sanae Takaichi's government has been actively updating its foreign policy. In early May 2026, she visited Hanoi, Vietnam, to announce an 'update' to which key framework?

- A) Japan-ASEAN Economic Partnership Agreement
- B) Free and Open Indo-Pacific (FOIP)**
- C) Northeast Asian Security Cooperation Initiative
- D) Pacific Rim Trade Alliance