

MNI POLITICAL RISK ANALYSIS – Japan House of Councillors Election Preview

by Tom Lake

Japan holds elections for half of the seats in the House of Councillors on Sunday, 20 July. In this preview, we include a background to the election, an explainer of how elections to the House of Councillors work, a breakdown of the main parties contesting the vote, an opinion polling chartpack, and post-election scenario analysis with assigned probabilities.

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Background

The House of Councillors is the upper chamber of the National Diet. It is subordinate to the House of Representatives insofar as the lower house can override the House of Councillors on issues such as the election of a prime minister, passing budgets, and ratifying international treaties. Given its subordinate status, there is usually not significant market interest in the House of Councillors' election.

However, the Japanese political environment is in a state of turbulence, meaning that the outcome of elections to the upper house could have a significant impact on the policies and even overall stability of Prime Minister Shigeru Ishiba's administration. In November 2024, Ishiba gambled on a snap election for the House of Representatives, having taken over from Fumio Kishida in September. This gamble failed, with the governing coalition between Ishiba's conservative Liberal Democratic Party (LDP) and its allies in the *Komeito* party losing their overall majority.

In the House of Councillors election, if the LDP-Komeito coalition wins fewer than 50 seats combined, they stand to lose their majority in the upper chamber. As Mainichi [reported](#) in May, "As of now, 52 seats are up for re-election for the LDP and 14 for Komeito, for a total of 66 seats, meaning that even if they reduce their seats by 16 to 50, they will still be able to maintain their majority." Seat projections based on opinion polling (see chartpack below) show the coalition generally sitting below this threshold in the most recent surveys in mid-July.

One of the major narratives of the election campaign has been the rise of the right-wing populist Sanseitō party. Opinion polling shows the party having risen in support from a minor party set to win one seat (as it did in 2022) to potentially securing third place ahead of the centrist Democratic Party for the People. This would mark the first time in the post-war era

that a right-wing populist party has made significant inroads in a nationwide election. Sanseitō began initially as a party opposed to strict COVID-19 lockdown and vaccination measures, but has broadened into a wider anti-immigration 'Japanese First' setup, mirroring the strength of the MAGA wing of the Republican party in the US, the Alternative for Germany, France's *Rassemblement National* (National Rally), and Reform UK. Significant gains for the party could deliver a significant shock to Japan's political system, which for 80 years has been dominated by moderate pro-business conservatives.

Electoral System

The House of Councillors is formed by 248 members, each serving six-year terms. These are staggered, with one half of the chamber facing election every three years, meaning those councillors up for election on 20 July last having faced the voters in 2019 during the administration of the late Shinzo Abe. Initially 124 seats were up for election, but the resignation of CDP Councillor Renhō Saitō to run for the Tokyo governorship brought this up to 125.

In a similar electoral system to that used for the House of Representatives, a parallel voting system is used. This sees 74 councillors being elected in single or multi-member districts based on the 47 prefectures of Japan. Those in single-member districts are elected via first-past-the-post, with the candidate winning the most votes elected. In multi-member districts, a single non-transferrable vote system is used where voters cast a ballot for a single candidate, with seats filled by those winning more votes than other candidates. The remaining 50 councillors are elected in a single, nationwide constituency using open-list party proportional representation. There is no electoral threshold for parties to cross to win seats in the proportional vote.

On election day, polling stations open at 07:00JST (18:00ET, 23:00BST) and close at 20:00JST (07:00ET, 12:00BST). In line with previous elections to the House of Councillors, exit polls are likely to be released almost immediately after polls close. As was the case for the 2022 House of Councillors election, it is likely that results will begin to filter through during the course of the night, with a clear picture of the election coming on the morning of 21 July. The final official results with vote breakdowns will be published in the days after the election.

Main Political Parties

(In order of seats in House of Councillors before election)

Liberal Democratic Party – LDP – Founded: 1955 – Leader: **Shigeru Ishiba**, 68 y.o. (*Prime Minister 2024-, LDP leader 2024-, Minister in charge of Overcoming Population Decline and Vitalizing Local Economy 2014-16, Minister of Agriculture, Forestry and Fisheries 2008-09, Minister of Defence/Director-General of the Japan Defense Agency 2002-04 & 2007-08, Member of the House of Representatives 1986-*) – Conservatism, Japanese nationalism, centre-right/right-wing, catch-all – Councillors 115/248

Constitutional Democratic Party of Japan – CDP – Founded: 2020 (2017 as ‘old CDP’) – Leader: **Yoshihiko Noda**, 68 y.o. (*Prime Minister 2011-12, CDP leader 2024-, Secretary-General of the Democratic Party 2016-17, President of the Democratic Party of Japan 2011-12, Minister of Finance 2010-11, Senior Vice-Minister of Finance 2009-10, Member of House of Representatives 1993-96 & 2000-*) – Liberalism (Japanese), social liberalism, centre-left/centrist – Councillors: 38/248

Kōmeitō – Komei – Founded: 1998 – Leader: **Tetsuo Saito**, 73 y.o. (*Chief Representative of Komeito 2024-, Minister of Land, Infrastructure, Transport and Tourism 2021-24, Minister of the Environment 2008-09, Member of the House of Representatives 1993-*) – Buddhist democracy, social conservatism, centrism – Councillors: 27/248

Nippon Ishin no Kai – Japan Innovation Party – *Ishin*/JIP – Founded: 2015 – Co-Leaders: **Hirofumi Yoshimura**, 50 y.o. (*Ishin co-leader 2024-, Governor of Osaka Prefecture 2019-, Mayor of Osaka 2015-19, Member of House of Representatives 2014-15*) and **Seiji Maehara**, 63 y.o. (*Ishin co-leader 2024-, Minister of State for Economic and Fiscal Policy 2012, Minister for Foreign Affairs 2010-11, Minister of Land, Infrastructure, Transport and Tourism 2009-10, Member of House of Representatives 1993-*) – Centre-right, conservative, libertarian, populism, economic liberalism, decentralisation – Councillors: 20/248

Japanese Communist Party – JCP – Founded: 1922 – Chairperson: Tomoko Tamura, 60 y.o. (*JCP Chair 2024-, Member of the House of Representatives 2024-, Member of the House of Councillors 2010-24*) – Far-left, communism, Marxism, pacifism – Councillors: 11/248

Democratic Party For the People – DPFP/DPP – Founded: 2018 – Leader: Yuichiro Tamaki, 56 y.o. (*DPFP leader 2018-, Leader of Kibō no Tō 2017-18, Member of the House of Representatives 2009-*) – Centrist, moderate conservatism, reformist centrism, pacifism – Councillors: 9/248

Reiwa Shinsengumi – Founded: 2019 – Leader: Tarō Yamamoto, 50 y.o. (*Reiwa leader 2019-, Member of the House of Councillors 2013-19 and 2022-, Member of the House of Representatives 2021-22, Television personality/actor 1990-2013*) – Left-wing populism, progressivism, anti-austerity – House of Councillors: 5/248

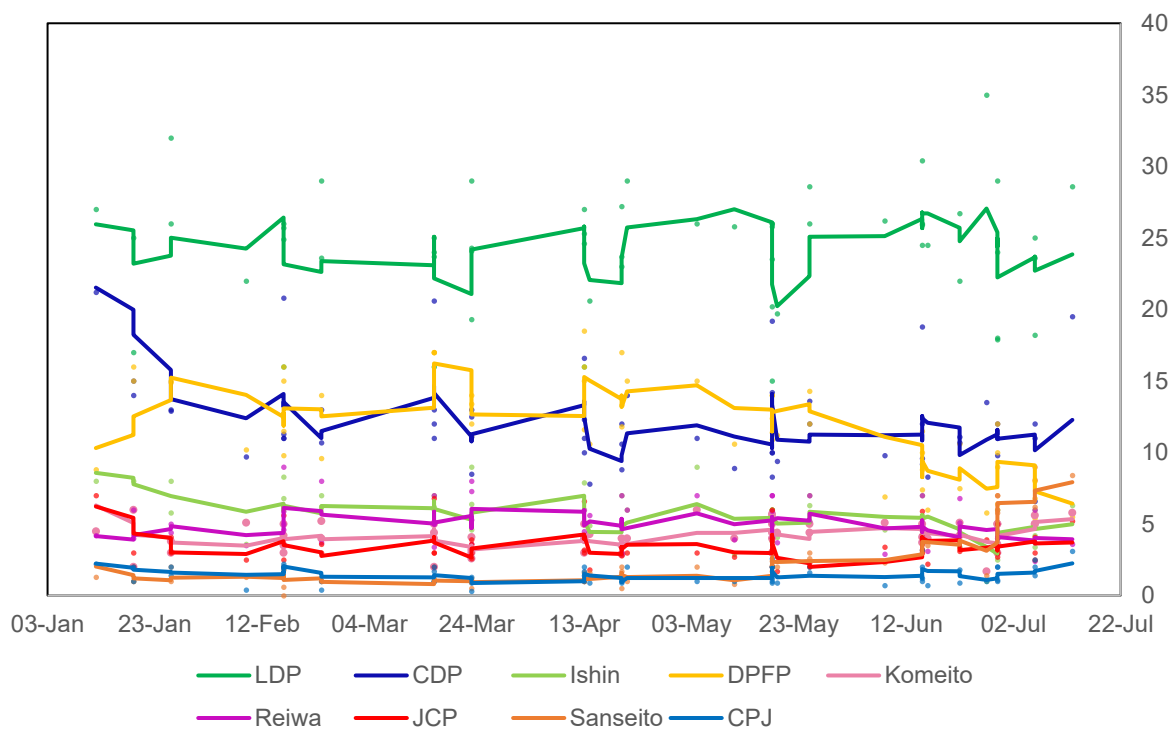
Social Democratic Party – SDP – Founded: 1996 – Chair: Mizuho Fukushima, 69 y.o. (*SDP Chair 2003-13 and 2020-, Minister of State for Consumer Affairs and Food Safety 2009-10, Member of the House of Councillors 1998-*) – Centre-left/left wing, social democratic, democratic socialism, pacifism, progressivism – House of Councillors: 2/248

Sanseitō – Japanese: ‘Political Participation Party’, English: ‘Party of Do It Yourself’, DIY – Founded: 2020 – Secretary General: Sohei Kamiya, 47 y.o. (*DIY Secretary General 2020-, Member of House of Councillors 2022-, Member of Suita City Council 2007-12*) – Right-wing, Japanese nationalism, populism, ultraconservatism, anti-immigration, anti-vaccination – House of Councillors: 2/248

Conservative Party of Japan – CPJ – Founded: 2023 – Leader: Naoki Hyakuta, 69 y.o. (CPJ leader 2023-, author) – Far-right, ultranationalism, populism – House of Councillors: 0/248

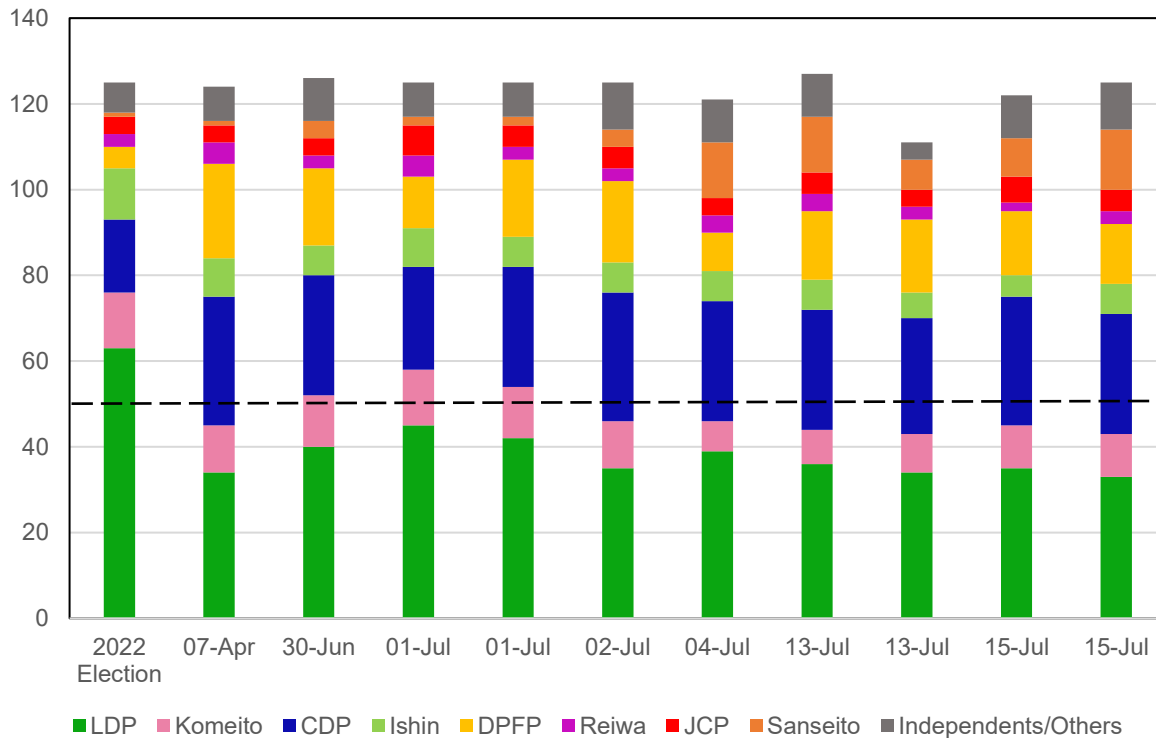
Opinion Polling Chartpack

Chart 1. House of Councillors Opinion Polling by Party, % and 4-Poll Moving Average



Source: Senkyo, Asahi Shimbun, Mainichi, Kyodo News, Nikkei/TV Tokyo, Jiji Press, ANN, Yomiuri/NNN, Sankei/FNN, Agricultural News, MNI

Chart 2. House of Councillors Seat Projections



Source: Weekly Post, Rakumachi, AERA, Shukan Bunshun, Asahi Shimbun, JNN, Yoimuri NNN, Sankei Shimbun, MNI. N.b. Dashed line indicates 50 seat mark, below which LDP-Komeito would lose its majority. Some totals do not sum to 125 seats due to rounding.

Election Scenarios

LDP-Komeito Fall Short, Lose Overall Majority – 60% Probability

- The worst-case scenario for the governing coalition, it loses more than 16 seats, taking its joint total in the House of Councillors below 125 and therefore losing its overall majority. This would leave the government reliant on opposition parties to pass legislation in both houses, risking policy paralysis.
- There would be intense pressure on Ishiba to resign as PM and party leader in this situation. In the post-war period a Japanese PM has never attempted to continue in government while sitting as a minority administration in both chambers.
- Ishiba's supporters have argued that a change in leadership would not alter this position, and that a new PM amid the most important trade negotiations for Japan in decades amid US President Donald Trump's tariff drive would be negligent. There is also the prospect that if Ishiba resigns, opposition parties could look to cobble together an alternate government and oust the LDP. Given the parliamentary mathematics, though, this appears unlikely at present.
- Nevertheless, going from a majority in both chambers to a minority in less than a year would leave Ishiba vulnerable to an internal LDP challenge. In order to convene a plenary session, a third of LDP lawmakers from both chambers have to back such a move. While this is not a formal method of expulsion for a leader (no such protocol

exists in the LDP), it would be seen as a potentially fatal challenge to his leadership, expressing a major lack of confidence.

- A change in PM would almost certainly see Japan forced into significant concessions as part of trade negotiations with the United States, with the LDP distracted and the government focused on short-term domestic issues as it seeks to avoid losing power entirely.
- Short of a majority in both chambers, the LDP-Komeito coalition could look to expand to a three-party coalition, potentially including the centrist DPFP or the libertarian Ishin. Of course each party would carry different conditions of support, with the DPFP likely to back a more dovish stance on fiscal spending. There is the prospect that the coalition looks towards policies such as a reduction in the consumption tax (called for by the CDP, DPFP and Ishin) in order to gain support from mainstream opposition parties. Given its hard-line stance and controversial policies, it is very unlikely that Sanseito would be brought into the coalition government.

Coalition Loses Seats, But Retains Majority – 35% Probability

- The retention of an overall majority would likely be viewed as something of a success for the governing parties, given the pressures facing the government in the form of elevated consumer price inflation (in particular the [national staple, rice](#)) and increasing voter concern about the impact of US tariffs if a deal is not reached with President Trump.
- Ishiba's position as prime minister would likely be ensured in the short term at least, but he would remain in a vulnerable position ahead of the next House of Representatives election in 2029, still short of a majority in the lower chamber.
- Even in this relatively positive scenario for the LDP, the loss of seats and narrowing of its majority would likely force the government into a shift towards fiscal expansionism in an effort to win back voters. While the government has pledged to distribute JPY20,000 (USD134) per person ahead of the election, it remains to be seen whether the government would try to maintain fiscal restraint in the face of a jittery bond market if it is able to hold onto its majority.
- Retaining a majority in the House of Councillors does nothing to shore up the government's situation in the lower house. An increase in representation for populist parties could see the LDP forced into implementing tax cuts or social spending hikes in order to gain opposition support for its key legislative aims in the House of Representatives.
- Major policy shifts such as constitutional reform, political finance reform (a hot-button topic following slush fund scandals involving the LDP) or urban revitalisation are likely to be sidelined in such a scenario, with a focus instead on short-term policies intended to ease pressures on consumers and shore up support ahead of future elections.
- Retaining a majority in the House of Councillors would enable the government to continue to block proposals put forward by the opposition in the House of Representatives, while also dictating the pace of debates in the upper house.

Wildcard Scenario: LDP-Komeito Hold Steady/Make Gains – 5% Probability

- In a result that would go against all pre-election opinion polling and the political narrative of an unpopular administration struggling on several fronts, the LDP and Komeito could come away with an increased seat total. This would likely require the governing parties to win almost all of the single or multi-member constituency seats currently seen as toss-ups as well as a large number of those that are seen as leaning towards an opposition party.
- Any lingering prospect of Ishiba resigning or being removed from office would certainly be dismissed into the medium term, providing the government (and investors) with a much-needed period of ensured stability at the top of the administration.
- With a bolstered mandate, Ishiba could look to pursue major policy shifts such as the modernisation of Japan's military that would require constitutional reform to establish a standing army. This has been an aim of foreign policy hawks within the LDP for some time, but has stalled in recent years amid political instability and the killing of its chief advocate, former PM Shinzo Abe.
- Indeed, a better-than-expected performance could coax Ishiba into calling another snap election for the House of Representatives in the autumn in an effort to secure a majority that would significantly ease the policy-making process.
- A strong LDP-Komeito performance would imply a weak performance for fiscal populists such as the DPFP or Ishin. In such a scenario, measures intended to restore fiscal probity will come to the fore under the LDP, rather than shifting in a more dovish direction in order to win short-term support.

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