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Fragile truce dictates that we prepare for the worst

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Phar Kim Beng

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If the ceasefire in West Asia collapses after tomorrow, the consequences will be dire.



PHAR KIM BENG

Phar Kim Beng is Professor of ASEAN Studies and Director of IINTAS-IJUM.

The ceasefire in the Middle East, already fraying at its edges, offers little comfort to countries far removed geographically but deeply entangled economically.

As things are, RM5 billion has already been allocated by the [Malaysian government](#) to alleviate the impact on micro, small and medium enterprises.

As a trading nation whose prosperity is tied to stable energy flows, the fragility of this ceasefire signals not relief, but a warning to Malaysia. [War & Conflict](#)

This month, Japan announced an allocation of US\$10 billion in [economic aid](#) for Asean. Nonetheless, should hostilities resume or intensify after tomorrow, the consequences will ripple across fuel prices, food systems, and industrial output.

Malaysia must therefore prepare – not react. And preparation, in this context, begins with energy conservation as a national discipline rather than a temporary inconvenience.

The Strait of Hormuz remains the most critical chokepoint in the global energy system, carrying roughly one-fifth of the world's oil supply. It affects 6% of the world's total trade.  Water & Marine Sciences

In contrast, up to 24% of global trade passes through the Strait of Malacca, but the littoral states that share the waterway, such as Malaysia, Singapore, and Indonesia, remain peaceful.

For now, all attention must focus on the Strait of Hormuz. Any renewed disruption – whether through direct conflict, insurance hikes on tankers, or selective blockades by Iran and the US – will immediately raise global energy prices.

Malaysia, despite being an energy producer, is not insulated. It is a net energy importer.

Its subsidy system, industrial base, and dependence on global supply chains mean that higher prices translate into fiscal strain and inflationary pressure. The subsidy given to RON95 has ballooned to RM3 billion a month with another RM4 billion assigned for diesel.

That's RM84 billion a year, more than the budgets of the ministry of health (RM46.5 billion) or ministry of education (RM66.2 billion).

The first and most immediate measure Malaysians must adopt is a cultural shift toward energy restraint.

Air-conditioning, long treated as a necessity in the tropical climate, must be recalibrated.

Public buildings, offices, and commercial centres should standardise temperatures at no lower than 23 to 24 degrees Celsius. This is not symbolic.

Cooling systems account for a substantial share of electricity consumption in Malaysia, and even marginal adjustments can yield significant national savings when aggregated.

Equally important is  transportation discipline. Malaysians have long relied on private vehicles, but the current moment demands a pivot.

Carpooling, the expanded use of public transportation such as MRT, LRT, and buses, and even staggered work hours can collectively reduce fuel demand; beyond the call of the civil service to work from home.

The government can reinforce this by extending programmes such as the My50 pass, incentivising commuters to shift away from individual car use.

Workplace norms must evolve in tandem. Remote work, once a pandemic necessity, should now be institutionalised as part of energy conservation strategy.

Reducing daily commute not only lowers fuel consumption but also alleviates congestion, which itself contributes to inefficient fuel usage.

Companies that adopt hybrid work models are not merely enhancing productivity – they are contributing to national resilience.

Industrial and commercial sectors must also shoulder responsibility

Energy-intensive industries, particularly in manufacturing and construction, should adopt time-of-use strategies, shifting operations to off-peak hours where possible.

Smart metering technologies can assist in monitoring and optimising consumption patterns.

The private sector, often the largest consumer of electricity, must recognise that conservation is not a regulatory burden but a strategic necessity in a volatile global environment.

At the household level, behavioural adjustments are equally critical.

Simple acts – turning off unused appliances, switching to energy-efficient lighting, moderating water heater usage – collectively matter. Malaysians must understand that conservation is cumulative.

A single household's effort may appear negligible, but when multiplied across millions, the impact becomes transformative.

The government, for its part, must communicate clearly and act decisively. This is a global crisis, and Malaysia must see it as nothing less than a crisis that will hit Malaysia badly over the next few years.

Energy subsidies, while politically sensitive, cannot expand indefinitely without undermining fiscal stability.

A targeted approach that protects the most vulnerable while encouraging efficiency among higher-income groups is essential.

At the same time, public awareness campaigns must be intensified, framing conservation not as sacrifice, but as patriotism in a time of uncertainty.

Beyond immediate measures, Malaysia must accelerate its transition toward alternative energy sources.

Equally important, Malaysians must learn how to stretch their ringgit to the maximum.

As things are, Malaysia should take [renewable energy](#) (RE) seriously.

Solar power, in particular, offers immense potential given the country's geographic advantages. Investments in grid modernisation, battery storage, and regional energy integration within Asean can reduce long-term vulnerability to external shocks.

The current crisis should be seen not merely as a threat, but as a catalyst for structural transformation.

The stakes extend beyond energy alone.

Rising fuel costs will inevitably affect food production, fertiliser prices, and transportation logistics. Malaysia's food security, already under pressure from global supply disruptions, could face additional strain.

Conservation, therefore, is not just about electricity or petrol – it is about safeguarding the broader [economic](#) ecosystem upon which daily life depends.

There is also a psychological dimension to this crisis.

Markets react not only to actual disruptions but to expectations of instability. A fragile ceasefire, by its very nature, sustains and accentuates uncertainty.

If Malaysians continue consumption patterns as though stability is assured, the eventual shock – should conflict resume – will be far more severe. Preparedness, in contrast, cushions both economic and social impact.

Malaysia has navigated crises before, from the Asian Financial Crisis to the Covid-19 pandemic. Each episode has demonstrated the importance of collective discipline and timely policy response. The current situation demands a similar resolve, albeit in a different domain.

Energy conservation must become embedded in national consciousness, not as a temporary response, but as a long-term habit.

The ceasefire may hold – or it may collapse. That uncertainty is precisely why Malaysia cannot afford complacency. Preparing for the worst is not pessimism; it is prudence.

If April 22 passes quietly, the measures adopted will still strengthen Malaysia's resilience. But if it does not, those same measures may well determine how effectively the nation weathers the storm.

The views expressed are those of the writer and do not necessarily reflect those of FMT.

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