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100 days of the global energy crisis: Why discipline and unity are our strongest shield

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One hundred days into the global energy crisis, one truth is now unavoidable: This is no longer a temporary disruption to be waited out. The escalating conflict in West Asia and the effective closure of the Strait of Hormuz have produced what the International Energy Agency calls the largest supply shock in the history of the global oil market. The shock is not passing; it is settling in. Malaysia must therefore make a deliberate shift — from emergency response to long-term resilience.

Malaysia entered this storm from a position of relative strength. Our oil and gas ecosystem, domestic refining capacity, and institutions such as PETRONAS gave us buffers that many of our Asean neighbours did not have, while proactive diplomacy secured the safe passage of Malaysian vessels through contested waters. But we should be honest with ourselves: Those strengths bought us time but they did not solve the deeper challenge. Brent crude has averaged US\$95 to US\$100 a barrel since the crisis began, spiking above US\$120 at its peak before settling in the mid-90s — high enough to keep pressure on prices, supply chains and household budgets.

In the first phase, the government's priority was clear: Keep energy supply stable and cushion the blow for the rakyat. Through the Budi95 and Budi Madani fuel subsidy mechanisms, we shielded households and businesses from the immediate brunt of soaring global prices. By holding subsidised RON95 at RM1.99 a litre while the market rate climbed past RM4, with monthly fuel subsidy expenditure reach-

ing a reported RM7.5 billion in April, the government absorbed a heavy financial burden. That decision prevented a sudden contraction in economic activity. It was necessary — but it was a shield against the first wave, not a cure.

This is a crisis that arrives in waves

We must resist a dangerous misconception: that this is simply a story about oil prices. It is a physical supply crisis that reaches us in successive waves, each one further from the pump and closer to the kitchen table.

The first wave is oil and fuel prices — the shock we have already felt most directly. The second wave is logistics and supply chains, as higher transport and freight costs ripple through the economy. The third wave is food, household prices and wages, as those costs cascade through petrochemical feedstocks, fertilisers, manufacturing and construction before arriving as dearer essentials for families. The fourth wave is fiscal pressure and national confidence: Subsidies projected to approach RM48 billion a year if prices stay elevated would crowd out healthcare, education and development, while a drawn-out crisis tests the public's patience and trust. Our focus must therefore move beyond the pump price to the broader cost-of-living pressures these waves will generate.

Why government spending alone cannot win this

Here is the heart of the matter: A prolonged crisis cannot be solved by government spending alone. Our fiscal space is not infinite, and fiscal strength is the cornerstone of national resilience. The longer this lasts, the more it wears us down — and the more it will take all of us, not just the national treasury, to hold firm. Complacency would be fatal; so would panic. What the

moment demands is agility, and a shared understanding of what each part of society must now do.

For the government, it means intervention that is targeted, agile and fiscally responsible — protecting the genuinely vulnerable rather than subsidising everyone equally. For businesses, it means energy efficiency, diversified supply chains and operational resilience. For households, it means more prudent consumption and stronger financial literacy as a buffer against shocks. And for our politicians, it means less politicking and a firmer focus on the national interest.

Smarter protection, not blanket coverage

As we enter the next phase, support must evolve from broad protection to smarter protection, so the most vulnerable continue to be shielded even as untar geted subsidies are wound back. We must distinguish between those merely exposed to higher costs and those genuinely at risk of hardship. Targeted instruments — Sumbangan Tunai Rahmah (STR), Sumbangan Asas Rahmah (Sara) and food interventions such as Jualan Rahmah Madani — will become our most important tools. No crisis should leave the vulnerable worse off than it found them.

We do not take these pressures lightly. They are felt every day — by families watching their grocery bills climb, by transport operators and food sellers absorbing higher costs, by farmers and workers stretching every ringgit. Our small and medium enterprises (SMEs) are likely to be among the hardest hit, squeezed by logistics and energy costs, cash-flow strain and rising imported input prices. SMEs will need targeted support: temporary relief, better access to financing, energy-efficiency incentives and some regulatory breathing space to adapt.

National priorities for the next phase

Our task in the months ahead can be stated plainly. We will protect vulnerable households. We will support affected SMEs and strategic sectors. We will preserve our fiscal credibility. We will strengthen energy and food security. And throughout, we will work to maintain national confidence — because confidence, once lost, is the hardest thing to rebuild.

This is a difficult ask at a time when social solidarity is fraying across the world. It is made harder still when excessive politicking distracts us from the real threat: global energy insecurity. When energy is spent on infighting, we squander precious time and resources from the genuine fight for our growth and reform agenda. Malaysia has weathered severe turbulence before — the Asian financial crisis, the Covid-19 pandemic — and emerged with stronger institutions. Credible leadership with integrity, and a nation that stays focused, are what carried us through then, and what can carry us through now.

What we can control

Nation-building is a two-way street between government and citizen, and the resilience Malaysia needs will require the buy-in of all walks of life. We cannot control the global shocks that reach our shores. But we can control our discipline, our unity and our preparedness — factors that will ultimately decide whether a nation is pulled under or carried through. The waves will keep coming. If we face them together, with calm and resolve, they will not pull Malaysia under. ■

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