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Letter to the Editor

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When Oil Prices Spike, Renewables Become More Than Just Climate Policy

Every time oil prices surge, the world is reminded of a simple truth: fossil fuels are not just bad for the climate, they are dangerously volatile.

The current energy crisis — fuelled by the conflict in the Middle East sparked by the United-States-Israel illegal attack on Iran — has left governments and households scrambling to absorb higher costs. But beneath the headlines lies a deeper lesson: scaling up renewable energy is not just about cutting carbon; it's about insulating economies from the chaos of global oil markets.

Countries that have invested heavily in renewables such as solar and wind are better able to weather the storm with greater resilience. Their electricity bills are less exposed to the whims of oil markets and geopolitical instability. Renewables, with their predictable costs and domestic production, act as a stabiliser in an otherwise turbulent energy landscape.

Yet, the path to scaling up renewables is anything but smooth. Financing remains a major hurdle, especially for developing nations, where borrowing costs are high and climate finance promises often fall short. This is made abundantly clear at global climate talks every year.

Supply chains for critical minerals — lithium, cobalt, rare earths — are increasingly politicized, raising fears that the clean energy transition could replicate the same dependency traps as fossil fuels. And then there's the grid: outdated infrastructure in many countries that simply cannot handle the variability of renewable inputs, leading to wasted potential and frustrated investors.

The political challenge is equally daunting. Fossil fuel subsidies still dwarf renewable incentives in many parts of the world, locking economies into old patterns. Without bold policy shifts, the transition risks stalling just when it is most urgently needed. And if the transition is not managed equitably — ensuring that vulnerable communities benefit rather than bear the costs — it could spark social resistance that undermines progress. The oil price hike is not just a crisis; it is a wake-up call. Renewables must be framed not only as climate solutions but as shields against economic instability. The choice is stark: continue riding the rollercoaster of fossil fuel volatility, or invest in a future where energy is clean, affordable, and secure.

The world has been here before. Each oil shock has prompted talk of alternatives. Yet the momentum fades once prices stabilise. This time, the stakes are higher. The climate crisis is getting more serious as temperatures rise which are likely to exceed the limits under the Paris Agreement sooner than later, and the costs of delay are mounting.

If governments treat renewables as the antidote to both climate risk and energy insecurity, the current crisis could be the turning point history has been waiting for.

However, this requires genuine global collaboration through addressing the barriers that prevent or delay the just transitions needed in the global South.

The climate conference in Antalya, Turkey in November this year, presents one such opportunity as governments discuss the establishment of a Just Transitions Mechanism.

Hopefully, genuine cooperation wins out over the tired North-South battles, and the world is on course to an equitable transition away from fossil fuels.

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