



Persatuan Pengguna Pulau Pinang Consumers Association of Penang

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Press Statement

7 April 2026

WAR ABROAD, RISING COSTS AT HOME: Malaysia Must Unite to Weather the Iran Crisis

A call from Consumers' Association of Penang (CAP) for solidarity, reform and responsible leadership

The war involving Iran may be taking place far from our shores, but its consequences are already being felt by ordinary Malaysians. What begins as a geopolitical conflict in the Middle East can quickly arrive in our homes through higher fuel prices, rising food costs, more expensive medicines, supply disruptions, and greater economic uncertainty.

This is not a distant issue. It is a consumer issue. It is a household issue. It is a national issue.

The Prime Minister has warned that about **50% of Malaysia's oil supply passes through the Strait of Hormuz**, one of the world's most important and vulnerable maritime chokepoints. Any serious disruption there will push up global energy prices and place immediate pressure on our domestic economy. Already, the government's fuel subsidy burden has risen sharply - from roughly **RM700 million a month to several billion ringgit monthly** as global oil prices surge. That is a stark reminder of how quickly an external war can become a domestic cost-of-living crisis.

At the same time, Malaysia is not without strengths. Bank Negara Malaysia and other experts have noted that the country still has buffers, and inflation has so far remained relatively contained. But buffers are not permanent shields. If this conflict drags on, higher transport costs will feed into food prices, logistics, manufacturing, and ultimately the daily expenses of the rakyat. The greatest burden will fall on lower- and middle-income households, small traders, farmers, transport workers, and vulnerable communities already struggling with the cost of living.

This is why the Consumers' Association of Penang (CAP) believes that Malaysia must respond with **unity, discipline and social responsibility**.

First, we must **support immediate government efforts** to stabilise prices, protect supply chains, and cushion households from the worst effects of the crisis. In times of global disruption, calm and coordinated action is essential. But government alone cannot carry the nation through a prolonged crisis if society itself is divided, distrustful, or consumed by narrow politics. Consumers, businesses, civil society, workers, community organisations, and political leaders must all recognise that this is a moment for shared responsibility.

Second, this crisis must be treated not only as a threat, but as an **opportunity for strategic reform**. Malaysia has delayed too many important changes for too long. The Iran crisis should force us to accelerate efforts to strengthen food security, diversify energy sources, improve public transport, reform subsidies so they are better targeted, reduce excessive dependence on vulnerable import

routes, and build more resilient systems for essential goods. If we learn the right lessons, this crisis can become the turning point that pushes Malaysia toward a more secure, self-reliant, and consumer-centred economy.

Third, and just as importantly, the government must foster a **bipartisan national approach**. This is not the time for political gamesmanship, partisan point-scoring, or opportunistic attacks. The rakyat will judge all leaders - government and opposition alike - by whether they put country before politics. Parliament should become a platform for constructive solutions on inflation, subsidies, food security, public health, and household protection. When leaders are united, public trust is strengthened. When leaders are divided, fear spreads faster than facts.

Malaysia has already learned this lesson the hard way during the **COVID-19 Pandemic**. In the early phase of the pandemic, we showed what was possible when public health, administrative discipline, and social solidarity came first. We brought case numbers down because institutions and communities acted together with seriousness and purpose. But when political calculations and power struggles began to overtake public health and safety concerns, the crisis worsened, public trust weakened, and the nation paid a heavy price.

We must not repeat that mistake.

The lesson from Covid is clear: **Malaysia succeeds when we act together, and Malaysia suffers when politics overtakes the national interest**. That lesson is just as relevant in an economic crisis as it was in a health emergency.

The Consumers' Association of Penang (CAP) therefore calls for a **united national front** to help Malaysians weather this storm. CAP will play a constructive role in this effort. We will continue to monitor price movements, highlight profiteering and unfair practices, advocate for stronger consumer protections, push for policies that shield vulnerable households, and work with communities to promote awareness, preparedness, and solidarity. We stand ready to support all responsible efforts - by government, Parliament, civil society and the private sector - that place the welfare of the rakyat first.

The war may be beyond Malaysia's control. But how we respond is entirely within our hands.

In this moment of uncertainty, the country needs more than economic management. It needs **national maturity**. It needs **social cohesion**. It needs **leaders who unite rather than divide**. And it needs citizens and institutions willing to act not out of panic or self-interest, but out of common purpose.

The crisis triggered by the Iran war will test our economy. But more than that, it will test our character as a nation.

If we stand together, support necessary reforms, and insist on bipartisan responsibility, Malaysia can do more than endure this crisis. We can emerge from it stronger, wiser, and more resilient.

And CAP will stand with the rakyat every step of the way.

Mohideen Abdul Kader
President
Consumers Association of Penang (CAP)