

EMBRACING RESTRAINT

Hari Raya lights hide grim debts

THE Hari Raya Aidilfitri lights are still flickering in some homes, but for a number of Malaysians, especially among low-income households, the post-celebration reality is far from bright.

Once the feasting ends and the guests depart, what remains for some is not peace — but pressing financial obligations.

According to the Ministry of Finance, Malaysia's household debt hit RM1.63 trillion by the end of 2024, equating to 84.2 per cent of GDP.

While national household financial assets stood at RM3.4 trillion, these aggregate figures mask the day-to-day challenges faced by ordinary families managing tight budgets.

Preparing for Hari Raya Aidilfitri often comes with a hefty bill.

Whether for tailored clothes, home upgrades, or balik kampung trips, many turn to personal loans or credit cards to afford the festivities.

These expenditures, once optional, are now widely seen as social expectations.

Travel companies capitalised on the Raya season, offering curated packages branded with names like "Balik Raya in Style" and "Raya Family Escape."



**DR
NORAZAH
MOHD SUKI**

These offers may promise affordability, but they frequently hide add-ons — service fees, transportation costs, or interest from deferred payment plans.

Open houses returned in full swing, and with them came intense spending.

For families already living close to the edge, such costs can be overwhelming. Some resort to borrowing from cooperatives or licensed lenders, often facing steep repayment terms that linger long after Syawal.

The government, under the Madani initiative, launched the second phase of Sumbangan Tunai Rahmah (STR) on March 24, 2025, disbursing RM1.7 billion to 8.5 million recipients.

The total STR and Bantuan Sara Hidup (Sara) allocation for 2025 stands at RM13 billion, aimed at



True prosperity lies not in what we spend during the Hari Raya celebration, but in our peace of mind after it ends. PIC BY ASYRAF HAMZAH

easing living costs.

Sara provides monthly credit directly onto recipients' MyKad, redeemable at participating retailers for essential goods like rice, cooking oil, milk, and flour.

As of April 1, 2025, the programme is supporting 5.4 million Malaysians, offering flexibility and timely relief during and after festive spending peaks.

Another meaningful support mechanism is i-Saraan, a voluntary EPF contribution scheme designed for informal workers, gig economy participants, and small traders.

The government matches contributions up to RM1,000 per year, helping them build long-

term savings and financial security.

Still, assistance alone is not enough. A survey conducted in 2024 revealed that just 38 per cent of Malaysian adults possess foundational financial literacy.

Without strong budgeting skills or a grasp of loan terms, even well-meaning celebrants can find themselves trapped in prolonged debt cycles.

To address this, the Ministry of Finance is developing a Household Debt Monitoring System.

In parallel, the Domestic Trade and Cost of Living Ministry and NGOs are expanding financial education programmes, particularly in underserved and ru-

ral communities.

Hari Raya Aidilfitri is fundamentally about gratitude, togetherness, and humility. There is no shame in celebrating modestly. In fact, doing so may reflect greater wisdom and strength than overextending one's means.

True prosperity lies not in what we spend during the Raya celebration, but in our peace of mind after it ends.

In embracing restraint and planning, we honour not only the spirit of Hari Raya Aidilfitri, but the stability of our future.

The writer is a professor of Marketing and E-Commerce at Universiti Utara Malaysia