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COMMENT by Nicson Yap Yong Ze

Scams are costing Malaysia more than money

EVERY day, millions of Malaysians unlock their devices to check messages, transfer funds, pay bills or browse social media platforms.

These simple actions have become second nature for most of us. Yet, behind this convenience lies a growing danger. A single phone call or text message can wipe out a lifetime of savings in just a few minutes.

When we hear about scams, we often focus on the money that has been stolen. While financial losses are alarming, they tell only part of the story. The real cost of scams extends far beyond bank accounts. It erodes trust and damages confidence in digital services.

The latest figures paint a worrying picture. Malaysia recorded 66,204 online cases in 2025, an increase of 87% from the previous year.

Total losses reached an astounding RM2.97 billion. Fake investment schemes alone accounted for RM1.47 billion in losses while phone scams remained the most common type of fraud, with more than 28,000 reported cases.

These numbers are more than mere statistics. They represent families who have lost their retirement savings, parents who have seen their children's education funds wiped out and entrepreneurs who have lost the capital needed to sustain their businesses.

The most dangerous misconception is that scams only happen to people who are unfamiliar with technology. In reality, modern scammers are skilled manipulators who exploit human emotions rather than technological vulnerabilities.

For instance, scammers create a sense of urgency by claiming that a bank account has been compromised. They also exploit fear by posing as police officers or government officials. Although public awareness of these tactics has grown, many people still fall victim to them.

Increasingly, scammers are using artificial intelligence to create convincing voices, realistic images and highly personalised messages, making their deception even harder to detect.

As a result, anyone can become a victim. Education, age and profession offer no guarantee of immunity. Even individuals who understand cybersecurity can make mistakes when emotions cloud their judgement. A moment of panic or excitement is often all it takes for scammers to succeed.

The consequences can extend far beyond financial losses. Many victims experience embarrassment and guilt, believing they should have recognised the warning signs.

Some become hesitant to use online banking services again after being scammed while others lose confidence in investing. In some cases, the psychological impact can persist for years, affecting long-term mental well-being.

The wider economy also bears the cost. As scam cases continue to rise, banks are investing more in fraud prevention systems, businesses are strengthening cybersecurity measures, and law enforcement agencies are dedicating greater resources to investigations. These additional costs are ultimately passed on to society as a whole.

Trust is the foundation of any digital economy. If Malaysians begin to fear every online transaction, every investment opportunity or every unexpected phone call, the country's digital transformation will inevitably be slowed.

Malaysia has taken meaningful steps to address this growing threat. The National Scam Response Centre has strengthened coordination among banks, law enforcement agencies and regulators, enabling suspicious transactions to be identified and frozen more quickly.

Public awareness campaigns have also become more visible. While these initiatives deserve recognition, the continued rise in scam cases suggests that awareness alone is no longer sufficient.

Addressing this growing threat requires more than simply telling people to stay vigilant. Digital literacy must become a lifelong skill, supported by regular awareness programmes in schools, workplaces and communities.

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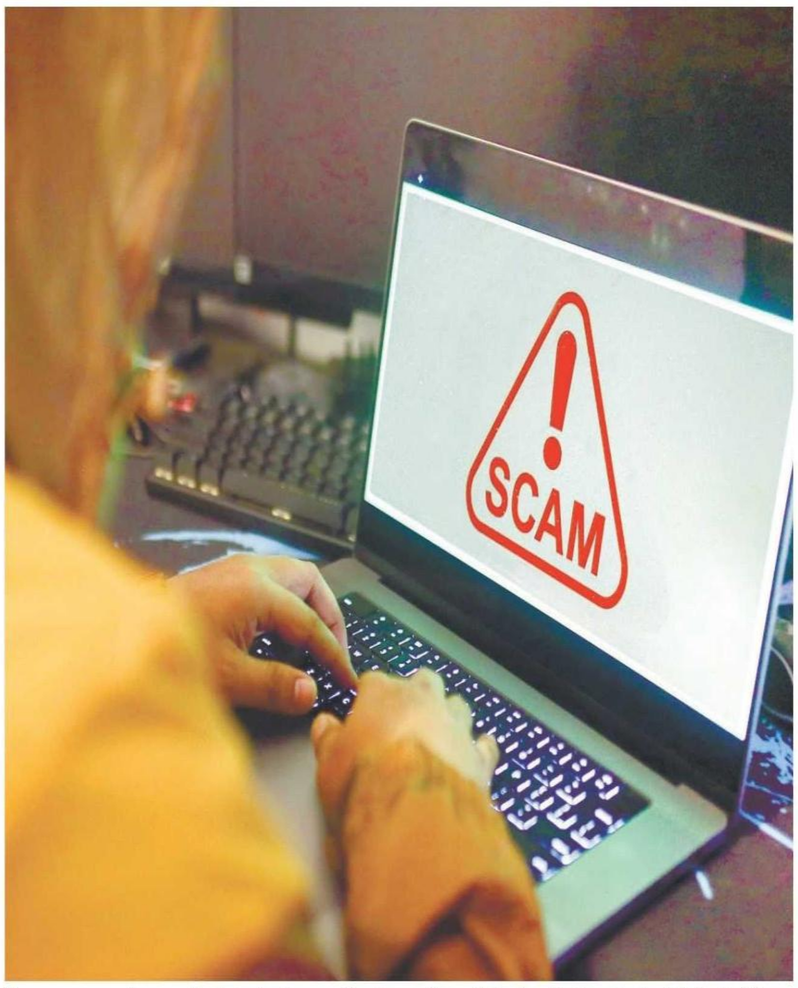

Scams are no longer isolated crimes affecting a handful of unfortunate individuals. They have become a national challenge that threatens public confidence in our increasingly digital society. – **ADAM AMIR HAMZAH/THESUN**

Banks should continue strengthening fraud detection systems to identify suspicious transactions before money is transferred while technology companies must act swiftly to remove scam advertisements, fake investment schemes and impersonation accounts.

Combatting scams requires a shared commitment from the government, financial institutions, technology companies and the public.

Every Malaysian has a role to play: verify before trusting, pause before transferring money and share scam experiences without shame. Victims deserve empathy, not blame, and speaking up may help prevent others from falling into the same trap.

Scams are no longer isolated crimes affecting a few individuals; they are a national challenge that threatens trust in our increasingly digital society. While the financial losses are significant, the erosion of public confidence may be even more costly.

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