

## Household Consumer Debt — When Comfort Becomes a Burden



### Definition:

Debt is no longer merely associated with necessity or crisis relief. For many Qatari families today, it has become a means to finance a lifestyle that exceeds their actual financial capacity. Loans, credit cards, and installment plans are no longer used solely for essentials, but increasingly to fund luxurious living, such as leisure travel during holidays, high-end purchases, and social appearances that offer fleeting comfort and prestige, yet leave behind long-term financial obligations.

## Are we truly living in comfort, or merely maintaining a polished image that conceals a growing burden?

### Statistics:

**56%** of Qatari households have bank loans for personal consumption. **23%** of Qatari households are indebted to their employers.

**75%** of Qatari households carry debts exceeding QAR 250,000. **25%** of residents have consumer loans or debts.

Consumer loans in Qatar represent **55%** of the country's total public debt.

At the GCC level, the total value of personal loans granted by commercial banks reached **\$303.2 billion**, with Qatar accounting for **11.5%** of that amount.

## Do's and Don'ts:

### Do's:

- Set a clear budget before taking on any financial commitment.
- Stick to bank loans with reasonable interest rates.
- Avoid informal or high-interest borrowing.
- Plan long-term repaying debt within a defined period.
- Raise financial literacy levels.

### Don'ts:

- Avoid excessive spending for the sake of social appearances.
- Don't use credit cards irresponsibly.
- Don't borrow to repay previous debts.

### Expert Insights:

- Launch financial education programs to enhance families' awareness of budgeting, planning, and saving.
- Form an advisory team of policymakers, financial institutions, researchers, and private sector actors to review research findings and shape appropriate policies.
- Encourage banks and financial institutions to adopt inclusive policies and tailored financing options for both high- and low-income individuals, citizens and residents alike.

### Myth Vs. Fact:

- Myth:** Small loans don't affect a family's financial stability.
- Fact:** Small loans can accumulate over time if not wisely planned for repayment, becoming a major financial burden.



## Regional News

**1** DIFI in collaboration with the Executive Bureau of the Council of Ministers of Labor and Social Affairs in the GCC and the Minister of Social Affairs and Family and Childhood Affairs in the State of Kuwait, organized the 5th Gulf Forum for Family Policies, titled "The Gulf Family: Between Digital Challenges and Human Investment Opportunities."



**2** As part of the 5th Gulf Forum for Family Policies, DIFI moderated the session, delivered a keynote lecture titled: "Digital Transformation and Family Relationships: A Tool to Strengthen Family Cohesion or a New Challenge?" Highlighting the impact of digital transformation on communication patterns within Gulf families and emphasizing the importance of balancing technological advancement with the preservation of family values and cohesion.



**3** DIFI co-organized in the 6th International Seminar on Family and Mental Health, held at Mohammed Sekkat University Library in Casablanca - Morocco, which focused on the relationship between mental health and the quality of family relationships.



**4** DIFI in collaboration with the LAS and the Permanent Mission of the State of Qatar to the LAS, organized the Expert Meeting on the Regional Guideline for Pre-Marriage Education Programs in the Arab World in Cairo. The meeting discussed the development of the pre-marital program, presenting insights to enhance pre-marriage education programs and unify regional efforts to promote Arab family stability.



**5** DIFI participated in the Gulf Forum on Quality of Life for Elderly People and Strategic Initiatives to Promote Active Aging held in Kuwait in which she highlighted DIFI's commitment to supporting policies and programs that enhance the quality of life for the elderly and contribute to their empowerment and active participation on society.

