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Drought-Induced Agricultural Disruptions and Their Implications for Household Purchasing Power

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Abstract. Drought associated with the 2026 El Niño phenomenon poses significant challenges to agricultural production, food supply stability, and household purchasing power. This study examines how drought-induced agricultural disruptions affect household purchasing power through changes in agricultural production, food prices, and household economic vulnerability. A qualitative descriptive approach based on secondary data was employed, drawing on agricultural production statistics, inflation indicators, government reports, institutional assessments, and relevant media documentation. The analysis covered agricultural production developments and inflation trends during 2026, particularly from July to October. The findings indicate that rice production declined from 49.30 million tons in January–September 2025 to 48.77 million tons during the corresponding period in 2026, while production projections for October–December 2026 also indicate a substantial decline. Agricultural disruptions potentially extend to maize, chili, vegetables, and plantation commodities, increasing vulnerability in food supply systems. Concurrently, volatile food inflation increased from 2.52% in July to 5.81% in October 2026, indicating intensifying food price pressures. These developments may weaken household purchasing power through reduced agricultural income and increasing food expenditure. The study highlights the importance of strengthening climate-resilient agricultural production, food distribution systems, market stabilization, and targeted social protection to safeguard household economic welfare.

Keywords: Agricultural Drought; Food Supply Disruptions; Volatile Food Inflation; Household Purchasing Power.

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1. Introduction

Climate change has increasingly intensified the frequency and severity of extreme weather events, creating substantial challenges for agricultural sustainability, rural livelihoods, and household economic welfare. Among these climatic disturbances, drought represents a particularly critical threat because of its direct influence on water availability, crop productivity, agricultural income, and food supply stability. Agriculture remains highly dependent on climatic conditions, particularly rainfall patterns, making agricultural production systems vulnerable to prolonged dry seasons and irregular precipitation. These conditions can disrupt planting schedules, reduce crop yields, increase production costs, and ultimately undermine the economic stability of agricultural households. Previous studies have demonstrated that climatic shocks, particularly rainfall variability and extreme temperatures, generate significant economic consequences through their effects on agricultural productivity, labor markets, and household welfare [1], [2]. Consequently, drought should not be understood merely as an environmental or agricultural problem but also as an economic shock with broader implications for household purchasing power and socioeconomic well-being.

The agricultural sector is particularly vulnerable to drought because water availability is a fundamental determinant of crop growth and productivity. Insufficient rainfall can reduce soil moisture, disrupt plant development, limit the availability of irrigation water, and increase the likelihood of crop failure. These

disruptions may affect both the quantity and quality of agricultural output, subsequently influencing farmers' production decisions, market participation, and income-generating capacity. Empirical evidence from different developing countries confirms that negative rainfall shocks significantly reduce agricultural productivity and generate heterogeneous effects across crops, geographical locations, and household economic conditions [3], [4]. Similarly, research on drought-related agricultural vulnerability in Indonesia indicates that households dependent on agricultural activities are particularly exposed to climatic disturbances, especially when their access to financial resources, productive assets, and adaptive technologies is limited [5]. These findings suggest that drought-induced agricultural disruptions can extend beyond production losses and become a persistent source of economic vulnerability for farming communities.

The economic consequences of drought are not limited to agricultural producers but may also extend throughout the agricultural supply chain and local food markets. A decline in agricultural production can reduce the availability of agricultural commodities, disrupt distribution activities, and create supply-demand imbalances that contribute to fluctuations in market prices. When agricultural supply decreases while consumer demand remains relatively stable, the prices of essential agricultural commodities may increase, creating additional financial pressure on households. Evidence from India demonstrates that regional rainfall shocks can generate substantial reductions in agricultural yields, followed by increases in food prices and persistent adjustments in agricultural wages [4]. Similarly, research examining the relationship between drought and food price shocks in Ethiopia shows that climatic disturbances and food price inflation jointly contribute to household vulnerability, particularly among populations with limited economic resources [6]. These findings highlight the importance of understanding drought as a supply-side economic disturbance that can influence market stability and the affordability of agricultural commodities.

Household purchasing power represents an important dimension of economic welfare because it reflects the capacity of individuals and families to obtain goods and services using their available income. In agricultural communities, purchasing power is closely associated with agricultural productivity, household income, employment opportunities, and the prices of essential commodities. Drought can undermine this capacity through two interconnected mechanisms. First, declining agricultural production may reduce farmers' harvest volumes, sales revenues, and employment opportunities for agricultural laborers. Second, the resulting instability in agricultural supply may increase the prices of essential commodities, thereby reducing the quantity of goods that households can purchase with a given level of income. The interaction between declining income and increasing living costs can consequently weaken real purchasing power, particularly among low-income households that allocate a substantial proportion of their expenditure to food and other basic necessities. This relationship is consistent with findings from rural Indonesia, where rainfall shocks negatively affected household welfare and encouraged households to protect food expenditure at the expense of non-food consumption [7]. Therefore, the consequences of drought should be examined not only through changes in agricultural output but also through their implications for household income, expenditure allocation, and purchasing capacity.

Furthermore, the effects of drought on household purchasing power may differ according to households' economic characteristics, livelihood structures, and access to resources. Agricultural households that depend primarily on crop production are likely to experience direct income losses when drought reduces harvest quantities and productivity. Meanwhile, non-agricultural households may experience indirect effects through increases in food prices and the rising cost of basic necessities. Such differences indicate that drought can generate multiple dimensions of economic vulnerability across rural and urban communities. Research by Carpena [8] demonstrates that drought significantly reduces household food expenditure and nutritional consumption in rural India, primarily through declining household income and employment opportunities. Similarly, drought-related consumption adjustments among smallholder farmers in Iran indicate that affected households often reduce non-food expenditure as a coping strategy to maintain their essential food consumption [9]. Evidence from Ethiopia also suggests that moderate drought can substantially reduce rural household consumption, demonstrating the vulnerability of households whose livelihoods depend heavily on climate-sensitive economic activities [6]. These findings reinforce the argument that purchasing power is an important mechanism through which environmental shocks translate into broader household welfare consequences.

The relationship between drought, agricultural disruptions, and household economic welfare has also been documented in several developing-country contexts. Terefe et al. [10] demonstrate that climate shocks negatively influence agricultural output and household consumption dynamics, particularly where rural livelihoods depend

on rain-fed agricultural systems. Evidence from Vietnam further indicates that drought can reduce rice productivity, decrease rural household consumption, and increase the risk of poverty [11]. Meanwhile, research on rainfall-related agricultural shocks in Nigeria reveals that declining agricultural productivity can significantly reduce household consumption, with economically disadvantaged households experiencing more severe consequences [3]. These findings indicate that the economic consequences of drought are multidimensional, involving production losses, income instability, changing consumption patterns, and reduced household welfare. However, the magnitude and transmission of these effects are likely to vary according to local agricultural structures, market conditions, household characteristics, and the availability of adaptation mechanisms.

Despite the growing body of literature examining climate change, agricultural productivity, and household welfare, several important issues remain insufficiently explored. Existing studies have predominantly focused on the direct effects of drought on crop yields, agricultural productivity, food security, poverty, and household consumption. Although these dimensions are essential, they do not fully explain how drought-induced agricultural disruptions influence household purchasing power through the interaction between agricultural production, commodity prices, and household income. In particular, the distinction between the effects experienced by agricultural producers and those experienced by consumers deserves greater empirical attention. A reduction in agricultural output may simultaneously decrease farmers' income while increasing commodity prices for consumers. Nevertheless, the extent to which these mechanisms jointly influence household purchasing power remains dependent on local market characteristics and socioeconomic conditions. Moreover, evidence from Indonesia, particularly at the local and regional levels, remains important for understanding how seasonal drought translates into economic pressures on households within agricultural-dependent communities. This gap provides an opportunity to develop a more integrated understanding of the relationship between climatic disturbances, agricultural market dynamics, and household economic welfare.

Addressing this research gap is important because household purchasing power provides a more comprehensive perspective on the economic consequences of drought than agricultural production indicators alone. A decline in agricultural output does not necessarily translate into an equivalent reduction in household welfare because the final effects may depend on changes in commodity prices, employment opportunities, household income diversification, and access to market resources. Accordingly, examining these interconnected mechanisms can provide a better understanding of how environmental shocks are transmitted through agricultural and economic systems. Such an approach is particularly relevant for developing economies, where agricultural activities remain an important source of employment, income generation, and food supply. It also offers a foundation for developing more effective policies that integrate agricultural adaptation, market stabilization, livelihood diversification, and household economic protection. Against this background, this study investigates the implications of drought-induced agricultural disruptions for household purchasing power. Specifically, it examines how drought conditions affect agricultural production and how these disruptions influence household purchasing power through changes in agricultural income, commodity prices, and household economic conditions. By connecting agricultural production disturbances with household-level economic outcomes, this study seeks to extend the existing literature on climate-related economic vulnerability beyond the conventional focus on agricultural productivity and food security. The findings are expected to contribute to the literature on agricultural economics, environmental economics, and household welfare while providing practical insights for policymakers in designing climate-resilient agricultural systems and economic protection mechanisms for vulnerable households.

2. Method

This study employed a qualitative descriptive approach using secondary data analysis to examine the implications of drought-induced agricultural disruptions for food supply stability, price dynamics, and household purchasing power. The analytical framework focused on the transmission mechanisms through which climate-related agricultural disruptions may affect food production, constrain commodity availability, generate food price pressures, and increase household economic vulnerability. This approach enabled a systematic examination of agricultural and economic developments without attempting to establish econometric causal relationships between drought intensity and changes in household purchasing power. The study utilized secondary data obtained from official statistical publications, government reports, institutional assessments, and relevant media documentation. The primary data sources included agricultural production statistics, particularly rice production, published by

Statistics Indonesia (BPS), as well as inflation indicators and food price developments reported by Bank Indonesia and relevant government institutions. These indicators comprised headline inflation, core inflation, and volatile food inflation, which were used to examine the dynamics of food-related price pressures. Additional information was obtained from the Institute for Development of Economics and Finance (INDEF) and relevant media reports to provide contextual insights into the effects of El Niño, agricultural water shortages, changes in planting schedules, and government responses to potential food supply disruptions.

The empirical observation focused on agricultural and economic developments during 2026, particularly the period from July to October, when volatile food inflation demonstrated an increasing trend. Agricultural production was examined by comparing rice production during January–September 2025 and January–September 2026, alongside production projections for October–December 2026. The analysis also considered the potential effects of prolonged dry conditions on other agricultural commodities, including maize, chili, vegetables, and plantation products. This broader commodity coverage was intended to capture the potential implications of drought beyond rice production and to provide a more comprehensive understanding of agricultural supply vulnerability. Data analysis was conducted through three interconnected analytical stages. First, descriptive analysis was used to identify drought-related agricultural disruptions, particularly changes in water availability, planting schedules, harvesting periods, and agricultural production. Second, comparative analysis examined developments in volatile food inflation in relation to headline and core inflation to identify patterns of food price pressures and assess their consistency with agricultural supply constraints. Third, interpretative analysis explored the implications of changing food prices for household purchasing power by examining the relationship between food expenditure requirements, income-generating capacity, and access to essential food commodities. Particular attention was given to low-income households, smallholder farmers, agricultural laborers, and other economically vulnerable groups that may face simultaneous income reductions and increasing consumption costs.

To enhance analytical credibility, source triangulation was applied by comparing information from statistical publications, government reports, institutional assessments, and media documentation. Official statistical sources were prioritized for quantitative indicators, while institutional reports and media documentation provided contextual explanations of agricultural conditions and policy developments. The analysis also evaluated potential policy responses, including accelerated planting, irrigation rehabilitation, water pumping facilities, reservoir utilization, drought-resistant seeds, rice distribution through the Food Supply and Price Stabilization Program (SPHP), interregional supply cooperation, and targeted food assistance. These interventions were assessed in terms of their potential to strengthen agricultural resilience, maintain food availability, mitigate price volatility, and protect household purchasing power. Overall, the methodological approach provides a descriptive and interpretative assessment of the interconnected effects of drought, agricultural production disruptions, food price developments, and household economic vulnerability.

3. Results and Discussion

3.1 Drought-Induced Agricultural Disruptions and Declining Food Production

The agricultural sector experienced increasing exposure to climate-related risks in 2026, particularly due to prolonged dry conditions associated with the El Niño phenomenon. Reduced rainfall and declining water availability have created substantial challenges for agricultural production, particularly in areas dependent on rainfall and irrigation systems with limited water capacity. These conditions have the potential to disrupt agricultural activities at different stages, including land preparation, planting, crop growth, and harvesting. Consequently, drought-related agricultural disruptions should not be understood merely as temporary reductions in crop yields but also as structural disturbances to the continuity of food production and the stability of agricultural supply. The implications of drought are particularly evident in the rice sector, which plays a strategic role in maintaining national food security and household consumption. Available production data indicate that rice production during January–September 2026 reached 48.77 million tons, compared with 49.30 million tons during the corresponding period in 2025. This represents a decline of approximately 1.08%. Furthermore, production projections for October–December 2026 indicate a potentially more substantial reduction, from 10.38 million tons in 2025 to 8.93 million tons in 2026, equivalent to a decrease of approximately 13.97%. These developments suggest that agricultural production may face increasing pressure toward the end of the year, particularly if rainfall patterns and water availability remain unfavorable.

The production decline is associated with several interconnected agricultural constraints. First, reduced water availability limits the capacity of agricultural land to maintain normal planting activities. Second, delayed rainfall

can shift planting calendars, subsequently affecting harvesting schedules and the availability of agricultural products in subsequent periods. Third, prolonged dry conditions may increase the likelihood of crop failure, particularly in agricultural areas with inadequate irrigation infrastructure. In more severe circumstances, some agricultural land may become temporarily unsuitable for cultivation because of insufficient water resources. These disruptions can extend beyond a single agricultural season and potentially prolong the lean season, creating additional pressure on food availability in subsequent quarters. Importantly, the consequences of drought are not restricted to rice production. Other agricultural commodities, including maize, chili, vegetables, and plantation products, are also vulnerable to declining water availability. These commodities have different production cycles and water requirements; nevertheless, prolonged drought can reduce productivity, disrupt harvesting schedules, and constrain the availability of agricultural products in local markets. The simultaneous vulnerability of multiple agricultural commodities is particularly important because household food consumption depends on a diversified range of products rather than rice alone. Therefore, disruptions affecting several agricultural subsectors may generate broader food supply constraints and increase the vulnerability of households to food price fluctuations.

The findings indicate that drought-induced agricultural disruptions have implications extending beyond farm-level production losses. Reduced agricultural output can weaken the capacity of domestic supply systems to meet market demand consistently. When production declines across several commodities, the availability of food products becomes more sensitive to seasonal fluctuations, distribution constraints, and changes in market demand. This condition may become particularly concerning toward the end of the year, when seasonal consumption requirements associated with Christmas and New Year celebrations potentially increase demand for selected food commodities. Consequently, the combination of declining production and seasonal demand may intensify price pressures if additional supplies cannot be mobilized efficiently.

3.2 Agricultural Supply Disruptions and Increasing Food Price Pressures

The relationship between agricultural production disruptions and household purchasing power becomes more apparent through developments in food price inflation. In 2026, volatile food inflation exhibited a consistent upward trend between July and October, indicating increasing price pressures in food commodities characterized by seasonal production and supply fluctuations. Specifically, volatile food inflation increased from 2.52% in July to 4.06% in August, subsequently reaching 5.03% in September and 5.81% in October 2026. This upward movement represents an increase of 3.29 percentage points over the four-month observation period. The development of volatile food inflation is particularly relevant because it reflects price movements in food commodities that are relatively sensitive to supply conditions, seasonal variations, and distribution disruptions. Unlike core inflation, which generally reflects more persistent underlying price developments, volatile food inflation can respond more directly to changes in agricultural availability and commodity market conditions. Therefore, its sustained increase provides an important indication of growing pressure within the food supply system.

Table 1. Development of Volatile Food Inflation in 2026

Month	Volatile food inflation (%)
July	2.52
August	4.06
September	5.03
October	5.81

Source: Inflation data provided in the research materials, 2026.

The increase in volatile food inflation occurred alongside headline inflation of 3.23% in October 2026, bringing overall inflation close to the upper limit of Bank Indonesia's inflation target. Meanwhile, core inflation declined from 2.92% in August to 2.50% in October 2026. The contrasting movements between volatile food inflation and core inflation are analytically important because they suggest that recent inflationary pressures were more concentrated in food-related components rather than reflecting a generalized acceleration in underlying inflation. This divergence provides an indication that supply-side factors may have played a significant role in shaping food price developments during the observation period. Agricultural production constraints, reduced water availability, potential crop failures, and disruptions to planting and harvesting schedules can limit the volume of commodities entering domestic markets. When the availability of agricultural products declines while consumption requirements remain relatively stable or increase seasonally, market prices may rise. Thus, the

observed increase in volatile food inflation is consistent with the possibility that agricultural supply constraints contributed to food price pressures in 2026.

Nevertheless, the relationship should be interpreted within a broader market context. Food prices are also influenced by transportation costs, distribution efficiency, interregional supply imbalances, storage capacity, and seasonal demand. Therefore, drought should be understood as an important potential supply-side pressure rather than the exclusive explanation for observed inflation. The simultaneous decline in core inflation strengthens the interpretation that food-related pressures were relatively pronounced, although it does not independently establish the precise contribution of drought to the inflation rate. An additional concern is the potential persistence of these pressures into early 2027. Changes in planting calendars caused by delayed rainfall may affect subsequent harvest periods, potentially extending the period of limited agricultural supply. If production recovery is delayed, food markets may experience continued fluctuations even after the initial drought conditions have weakened. This possibility highlights the importance of considering agricultural disruptions as a process with consequences extending beyond the immediate dry season.

3.3 **Implications of Rising Agricultural Food Prices for Household Purchasing Power**

The most important socioeconomic implication of drought-induced agricultural disruptions concerns the purchasing power of households. Household purchasing power is closely associated with the relationship between disposable income and the prices of goods and services required to satisfy basic consumption needs. When food prices increase while household income remains relatively unchanged, the quantity and variety of food that households can afford may decline. Consequently, increasing food inflation can reduce real purchasing power, particularly among households allocating a substantial proportion of their expenditure to food consumption. The increase in volatile food inflation from 2.52% in July to 5.81% in October 2026 indicates growing price pressures in essential food commodities. For households with limited financial resources, even relatively moderate increases in food prices can require adjustments to consumption expenditure. These adjustments may involve reducing purchases of certain food products, substituting more expensive commodities with cheaper alternatives, reducing consumption diversity, or reallocating expenditure from other essential needs. Therefore, the economic consequences of drought are not limited to the agricultural sector but can extend to household welfare through changes in food affordability and consumption patterns.

The implications may be particularly significant for low-income households, informal workers, agricultural laborers, smallholder farmers, and fishing communities. These groups often have limited financial reserves and relatively restricted capacity to absorb unexpected increases in living costs. When food prices rise, their ability to maintain existing consumption levels becomes increasingly constrained. This situation may create a disproportionate welfare burden because food expenditure represents an essential and relatively difficult-to-avoid component of household budgets. The impact on agricultural households is particularly complex because they may experience both production-related income losses and higher consumption costs. Smallholder farmers whose agricultural activities depend on rainfall may experience reduced harvest volumes, declining agricultural revenues, or temporary losses of productive land. Agricultural laborers may also face reduced employment opportunities when planting and harvesting activities are disrupted. At the same time, these households remain consumers of food products and are therefore exposed to increasing market prices. This combination of declining income opportunities and rising food expenditure may intensify economic vulnerability among rural households.

A similar situation may affect households that do not directly depend on agriculture for their livelihoods. Urban workers, informal-sector employees, and low-income households may experience declining real purchasing power when food prices increase faster than their nominal incomes. Because agricultural commodities constitute essential components of household consumption, persistent food inflation can reduce the amount of income available for other expenditure categories, including education, transportation, healthcare, and housing. In this context, drought-related agricultural disruptions can generate indirect economic effects that extend from rural production areas to urban consumption markets. Furthermore, the potential reduction in the availability of rice, maize, chili, vegetables, and plantation products may influence household purchasing power through multiple consumption channels. Rice is particularly important as a staple food, while maize and vegetables contribute to dietary diversity and food substitution. Chili and other horticultural commodities may also influence household expenditure because of their regular use in food preparation. When several commodities experience simultaneous supply constraints, households may have fewer affordable alternatives, increasing the difficulty of maintaining their usual consumption patterns.

The implications become more pronounced when agricultural supply constraints coincide with seasonal consumption pressures toward the end of the year. Although the observed inflation pattern suggests that supply-side conditions were an important source of food price pressure, increased seasonal demand during the Christmas and New Year period could further intensify existing market imbalances. If supply recovery does not occur before the beginning of 2027, households may face continued pressure on food expenditure during the first quarter of the following year. Overall, these findings suggest that the implications of drought for household purchasing power operate through two interconnected mechanisms. The first is the direct income channel, whereby reduced agricultural production can weaken the earnings of farmers and agricultural workers. The second is the food affordability channel, whereby declining commodity availability contributes to price increases that reduce the quantity of food households can purchase with a given level of income. The interaction between these mechanisms creates a potentially reinforcing cycle of economic vulnerability, particularly among households whose livelihoods and consumption patterns are closely connected to agricultural commodities.

3.4 **Policy Responses to Mitigate Agricultural Disruptions and Protect Household Purchasing Power**

The findings highlight the importance of integrating agricultural supply management with household purchasing power protection. Since food price pressures are closely associated with the availability and distribution of agricultural commodities, policy interventions should prioritize the continuity of production, the stabilization of market supply, and the protection of vulnerable consumers. A policy response focusing exclusively on price controls may be insufficient if underlying agricultural supply constraints remain unresolved. At the production level, the government needs to strengthen agricultural adaptation measures through accelerated planting schedules and improved water management. Optimization of water pumping facilities, rehabilitation of tertiary irrigation networks, and utilization of reservoirs in rice-producing areas can help maintain agricultural activities during periods of limited rainfall. The provision of drought-resistant seeds is also important for reducing crop vulnerability and supporting production continuity under unfavorable climatic conditions. These measures should be supported by more effective coordination between agricultural authorities, irrigation management institutions, and local governments to ensure that water resources are allocated to areas facing the greatest production risks.

At the distribution level, the stabilization of rice availability through the Stabilisasi Pasokan dan Harga Pangan (SPHP) program represents an important intervention for mitigating food price volatility. Strengthening the distribution of government rice reserves, particularly in provinces experiencing relatively high food inflation, can help maintain market availability and reduce excessive price pressures. However, the effectiveness of this program depends not only on the volume of rice distributed but also on the accuracy of targeting, distribution efficiency, and monitoring mechanisms to prevent diversion or leakage. Expanding distribution through traditional markets and other accessible channels can further improve the program's reach among low-income consumers. Furthermore, strengthening interregional food supply cooperation is essential for addressing differences in agricultural production capacity between surplus and deficit regions. Such cooperation is particularly relevant for commodities with relatively high sensitivity to seasonal supply fluctuations, including chili and animal protein products. Improving transportation coordination, expanding cold-storage facilities, and strengthening local procurement systems can help reduce post-harvest losses and maintain commodity availability across regions. The procurement of food supplies for the Makan Bergizi Gratis (MBG) program from local producers should also be planned carefully to avoid creating additional competition for limited supplies of chicken, eggs, and other essential food commodities.

At the household level, targeted social protection measures are necessary to prevent food price increases from disproportionately affecting economically vulnerable groups. Expanding food assistance for agricultural laborers, smallholder farmers, and fishing communities can help maintain minimum consumption capacity during prolonged periods of reduced agricultural activity. Such interventions are particularly important when agricultural income declines simultaneously with rising food expenditure. Strengthening the coordination between food assistance, agricultural support, and local economic development programs may also improve the resilience of vulnerable households to climate-related economic shocks. These policy measures demonstrate that protecting household purchasing power requires a comprehensive approach that connects agricultural production resilience with food market stabilization and social protection. Production-oriented interventions can help restore supply capacity, distribution policies can improve market availability, and targeted assistance can reduce the immediate

consumption burden experienced by vulnerable households. The effectiveness of these interventions will depend on their implementation before supply disruptions develop into prolonged food price pressures.

4. Conclusion

This study concludes that drought-induced agricultural disruptions in 2026 have significant implications for food supply stability, market prices, and household purchasing power. Reduced water availability associated with the El Niño phenomenon has increased production risks for rice, maize, chili, vegetables, and plantation commodities. The decline in rice production during January–September 2026, together with the projected reduction in October–December 2026, indicates growing pressure on domestic food availability. Furthermore, disruptions to planting and harvesting schedules may prolong the agricultural lean season and extend supply constraints into early 2027. The findings reveal increasing food price pressures, as volatile food inflation rose from 2.52% in July to 5.81% in October 2026, while core inflation declined from 2.92% in August to 2.50% in October. This divergence suggests that food-related supply constraints were an important feature of inflationary developments during the observation period. These pressures may weaken household purchasing power through two interconnected mechanisms: reduced agricultural income, particularly among farmers and agricultural laborers, and increased food expenditure that limits households' capacity to maintain their consumption levels. Low-income households and other economically vulnerable groups are particularly exposed to these challenges.

Addressing these implications requires an integrated policy approach encompassing climate-resilient agricultural production, food supply stabilization, efficient distribution, and targeted social protection. Priority measures include strengthening irrigation infrastructure, optimizing water pumping facilities, accelerating planting schedules, providing drought-resistant seeds, improving SPHP implementation, strengthening interregional supply cooperation, and expanding targeted food assistance. Overall, this study highlights that drought is not merely an agricultural production challenge but also a potential threat to household economic welfare. Strengthening food system resilience is therefore essential to maintaining food affordability and protecting household purchasing power against climate-related agricultural disruptions.

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