

## The dynamic of poverty measurement indexes, from HDI to MPI

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### Abstract

This study is focused on the dynamic poverty measurement from Human Development Index (HDI) to Multi Dimensional Poverty (MPI), as poverty indicators from Sen to Foster-Alkire indexes.

The HDI takes into consideration three dimensions and four indexes, the MPI goes further. The dimensions and indicators exceed the limits of classical measurements of poverty, creates the possibilities of measuring and comparing multidimensional poverty. Multidimensional Poverty Index helps to analyze the spectrum of poverty, understanding of sustainable development emergency, as well as it is a great help for reading poverty phenomenon on a three dimensional aspect and under the sub-meaning of 10 different indicators. MPI calculation offers further comparative analyses of MPI Albania and Eastern Balkan countries. Comprehensive indexes are generated and applied, but doesn't mean their conclusions are translated (converted) into comprehensive policies as well. The data and the indicators for poverty measurement in Albania are not frequently generated and calculated due to LSMS missing after 2012. So there is a big gap in poverty reports. Finally, we argue how the measures chosen to use in poverty measurement of course can lead or mislead towards the process of policy making due to the great practical relevance of measurement methodologies.

**Keywords:** poverty measurement, multidimensional poverty index HDI, MPI, deprivation, incidence of poverty.

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