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Global Economy: An Analysis in Nepal's Context to Increase Gross Domestic Product

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**Abstract:** Nepal is between two superpowers, and it should always maintain its good neighbor policy, causing no harm to its neighbors. Nepalese need to utilize their comparative advantage in the production of daily agricultural products. Biodiversity needs to be utilized for the benefit of the masses.

The Gross Domestic Product (GDP) comparison has been made, and other neighboring countries recognized their potential and used it for development, still lacking by Nepal. Nepal is not the only market concept that needs to be changed; it should turn into a competitive producer as well. The Youth need to be attracted to the sector of production, and a market guarantee should be made by the government. Nepal can sell electricity optimum level; it is only possible with good diplomacy and motivation to the Nepalese diaspora for investment. Hassle-free Electricity production should be made. Nepal has deposits of more than 100 minerals, which should be mined as soon as possible to increase its GDP. All countries have exploited natural resources for their development, and Nepal should not lag.

**Keywords:** Comparative advantages, GDP, Minerals, Natural Resources

**Declaration:** There is no conflict of Interest in conducting the research.

**Background:** 'The growth of the economy has played a significant role in the progress of the 21st century '. The fastest-growing economy since 1970 has achieved an important place in the global economy. According to (WB, 2025) the growth of the economy, as countries have rushed into economic development. Now, such a situation is being created that the world is being called a global village. Financial institutions like the World Bank, the International Monetary Fund, and the World Trade Organization are active in this. They have been giving importance to international trade. Even today, in developing countries, More than 40 percent of people's households per day 2. 15 They are forced to live on less than a US dollar. Financial institutions have made developing economies the focus of a global effort to end extreme poverty in the world. Their progress is at a standstill amid increasing conflict, frequent economic crises, and persistently weak income growth. At the beginning of the twenty-first



century, 63 countries were classified as "low-income". Since then, India, Indonesia, and other countries have entered the middle-income category, meaning that by 2023 their annual per capita income was above \$1,145. The IMF projects that the world will grow by 3.2% in 2024, 3.3% in 2025, 4.8 % in China, 6.5% in India, and 6.5% in emerging and developing markets in Asia. The growth rate of the developed economy is (IMF, 2025) estimated to increase by 5.2 percent. The US imposed tariffs on all countries in the world in April, including Nepal, at a 10 percent tariff. This will also increase the price of some goods going to the US, which is likely to lead to a slowdown in Nepal's trade with the US. According to the World Bank 2025, 'Economies in the South Asian region face high downside risks, including a highly uncertain global outlook.' After a decade of shocks, South Asian economies can withstand new shocks. It has decreased ' (WB, 2025) . In particular, the risk of this sector is high debt, which is likely to reduce the revenue source from official sources in Asia. To avoid this risk, large non-return sectors and risk-sensitive sectors should be excluded. Addressing domestic weaknesses and additional global challenges to the environment can be easily crossed." If domestic revenue mobilization is done properly, South Asia can better address fiscal pressures ." This could greatly benefit the unproductive agricultural sector by making it more efficient, by fixing import prices, and by using modern technology. (WB, 2025)<sup>1</sup> .

The US has terrorized every country by imposing tariffs at a level not seen in a century. This has created a global If the supply chain is fragmented, everyone in the world feels like they are shooting themselves in the foot. The country has felt it. ' China has imposed a 145% tariff on goods exported to the United States. This has affected the world market. There is a possibility of further tariff increases. Some US trading partners have imposed counter-tariffs on imports of American goods. In particular, China has imposed a 125% tariff on imports from the United States. The percentage tax has been increased. Policy uncertainty has reached unprecedented levels. The global economy grew steadily at 2.7 percent in 2023 and 2024, but consensus forecasts point to a sharp decline in global growth in 2025. Many major economies were expected to slow earlier this year, but have seen higher-than-expected declines in recent weeks. According to analysts, consumer confidence in business has declined (WB, 2025). The main objective of the study is to identify the economy of Nepal compared to other countries focus on South Asian countries.

**Study approach:** Published economic reports of Nepal and its organizations, such as the WB and IMF, and journal articles.

**Division of the Countries based on Economic Development:** According to the World Bank, the countries are divided into lower income countries as Lower income (L), Lower middle income (LM), Upper middle income (UM), and Higher income (H). "In calculating gross national income (GNI) per capita in U.S. dollars for operational and analytical purposes, the World Bank uses the Atlas conversion factor instead of market exchange rates. The purpose of the Atlas conversion factor is to reduce the impact of exchange rate fluctuations in cross-country comparisons of national incomes." (WB, The

<sup>1</sup>World Bank. 2025. Taxing Times. South Asia Development Update (April 2025). World Bank, Washington, DC. Doi : 10.1596/978-1-4648-2230-8. License: Creative Commons Attribution CC BY 3.0 IGO



World Bank Atlas method - detailed methodology, 2025). According to the analysis, South Asian countries' status was up to 1990 found as below.

Data for the calendar year:	1987	1988	1989	1990
Low income (L)	<= 480	<= 545	<= 580	<= 610
Lower middle income (LM)	481-1,940	546-2,200	581-2,335	611-2,465
Upper middle income (UM)	1,941-6,000	2,201-6,000	2,336-6,000	2,466-7,620
High income (H)	> 6,000	> 6,000	> 6,000	> 7,620
Afghanistan	L	L	L	L
Bangladesh	L	L	L	L
Bhutan	L	L	L	L
India	L	L	L	L
Nepal	L	L	L	L
Pakistan	L	L	L	L
Sri Lanka	L	L	L	L

Source: World Bank

If the Per-capita income of the country in 1987 was less than 480 \$, the country was regarded as a low-income country; higher than this, up to 1940 \$ regarded as LM, 1941 to 6000 \$ regarded as UM, and More than this was regarded as Upper-income countries. In this calculation, Asian countries were lower-income countries. Some of the Country's income has increased since 2020, and its status has also increased.

Calendar year	FY20	FY21	FY22	FY23	FY24	FY25
	2018	2019	2020	2021	2022	2023
L	<= 1,025	<= 1,035	<= 1,045	<= 1,085	<= 1,135	<= 1,145
LM	1,026-3,995	1,036 - 4,045	1,046 - 4,095	1,086 - 4,255	1,136 - 4,465	1,146 - 4,515
UM	3,996-12,375	4,046 - 12,535	4,096 - 12,695	4,256 - 13,205	4,466 - 13,845	4,516 - 14,005
H	> 12,375	> 12,535	> 12,695	> 13,205	> 13,845	> 14,005
Afghanistan	L	L	L	L	L	L
Bangladesh	LM	LM	LM	LM	LM	LM
Bhutan	LM	LM	LM	LM	LM	LM
India	LM	LM	LM	LM	LM	LM
Nepal	L	LM	LM	LM	LM	LM



Pakistan	LM	LM	LM	LM	LM	LM
Srilanka	UM	LM	LM	LM	LM	LM

Source: World Bank

According to the division of the World Bank, Nepal is in LM like other countries of South Asia, except Afghanistan. When the country's income increases, the status of the country also increases. It is visible in the case of Srilanka. In FY 20, Srilanka was in the category of upper-middle-income countries, but in FY 21, its status decreased to LM. The division of the countries according to the need of the World Bank to continue activities, as on the economic status of the country.

The United Nations also divided the country, as done by the World Bank. “The world is divided into three broad categories, such as developed economies, economies in transition, and developing economies, and these are also divided into subgroups.” (UN, 2014). According to the UN, Nepal is categorized as a developing country along with Bangladesh, India, Pakistan, and Sri Lanka.

### Developed Economies and Their Status

Table 1. GDP of developed countries, \$ Billion

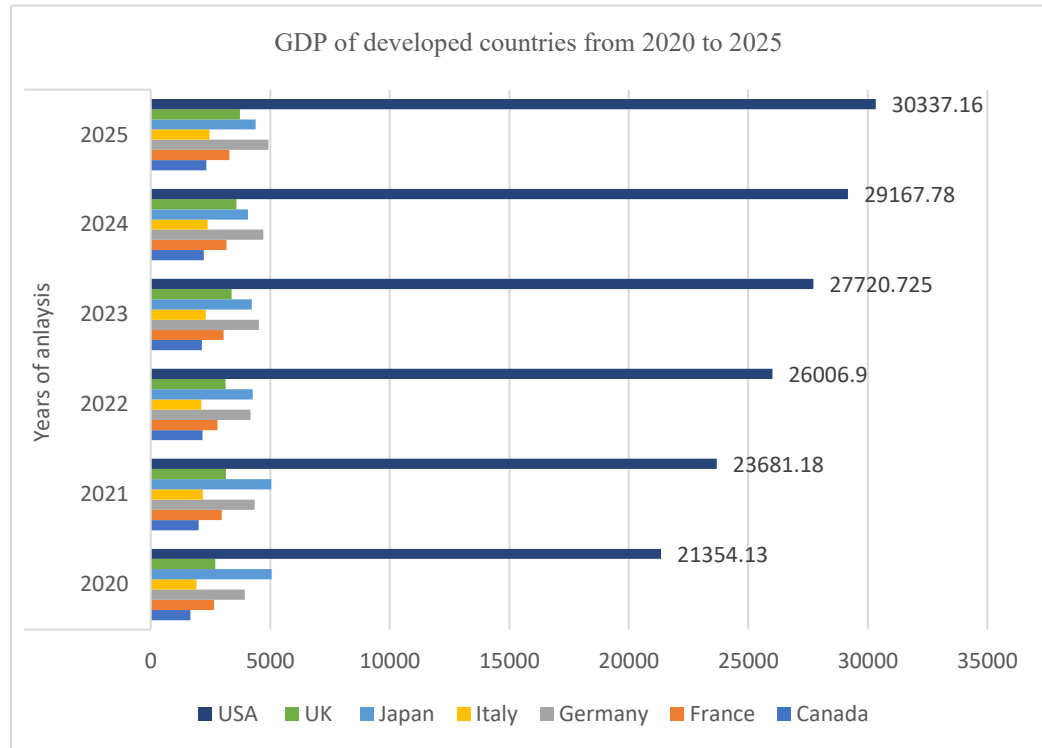
Country	2020	2021	2022	2023	2024	2025
Canada	1655.685	2007.472	2161.483	2142.471	2214.796	2330.308
France	2645.806	2968.405	2798.502	3052.712	3174.099	3283.429
Germany	3936.989	4351.188	4166.872	4527.009	4710.032	4921.563
Italy	1905.954	2180.657	2104.65	2301.603	2376.51	2459.597
Japan	5054.094	5039.9	4271.933	4219.828	4070.094	4389.326
UK	2698.705	3144.079	3125.404	3382.115	3587.545	3730.261
USA	21354.13	23681.18	26006.9	27720.725	29167.78	30337.16

Source: International Monetary Fund, World Economic Outlook Database, October 2024



Developed country economies are those that fall within these seven developed countries. Their gross domestic product is measured in US dollars at current prices. European countries use the ESA European Accounting System, while other countries use the NSA. The gross domestic product shown in the table above is the product of the system.

Canada's GDP is 1655.685 The US dollar was \$ 2330.308 billion in 2020 and is expected to reach \$2330.308 billion in 2025. Similarly, the US was \$21354.13 and is expected to reach \$ 30337.16 in 2025. (IMF, 2024).



### GDP of South Asian countries (Currency \$ Billion)

Countries	2020	2021	2022	2023	2024
Bangladesh	347.991	380.86	416.842	456.217	499.311
Bhutan	2.981	3.246	3.509	3.816	4.132
China	15269.94	16579.11	17952.1	19407.74	20978.97
India	3202.183	3509.654	3847.967	4223.843	4631.761
Maldives	6.283	6.795	7.348	7.937	8.539
Nepal	33.917	37.255	40.711	44.273	48.052
Sri Lanka	92.111	98.976	106.384	114.456	123.445

Source: International Monetary Fund, World Economic Outlook Database

In 2020, Bangladesh's GDP was 347.991 billion US dollars, growing to 499.31 billion after five years. This indicates a steady increase each year, representing 43.48 percent of the total GDP. Over the last five years, Bhutan's GDP accounted for 38.611 percent, China's for 37.387 percent, India's for 44.643



percent, the Maldives for 35.906 percent, Nepal's for 41.675 percent, and Sri Lanka's for 32.0176 percent of the GDP. Among the listed countries, China has the highest GDP, while Bangladesh ranks third.

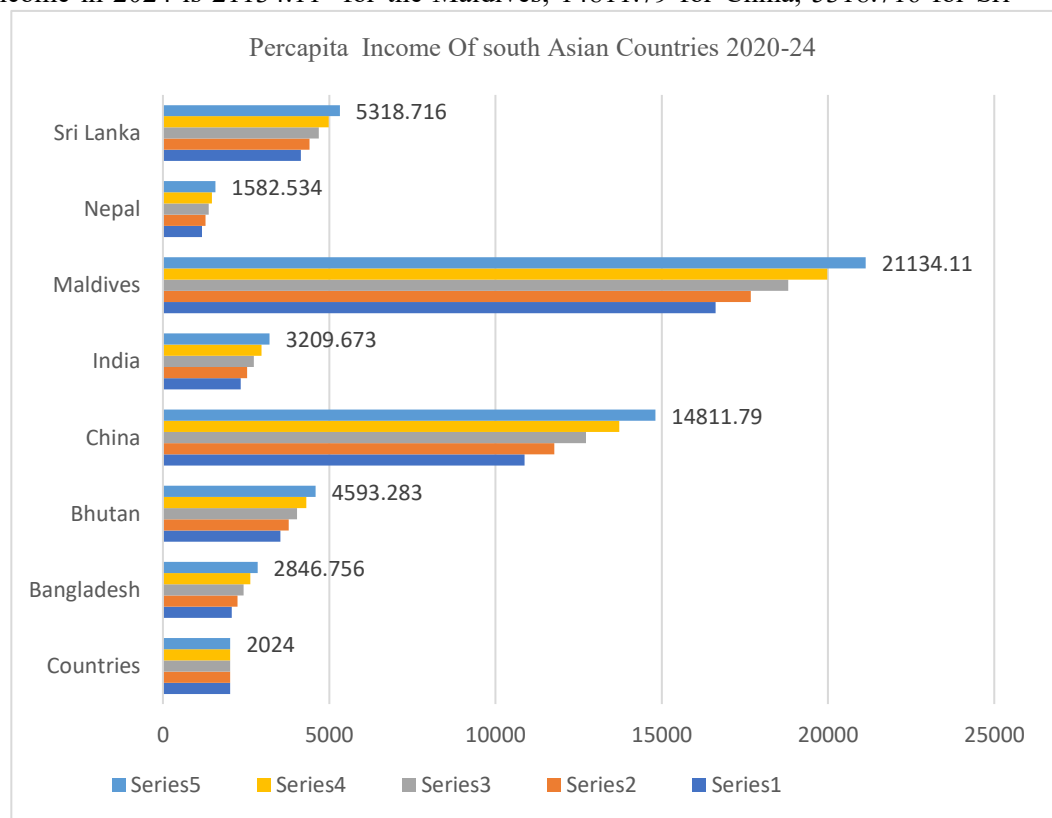
#### Per capita income of South Asian countries, including China (Currency \$)

Countries	2020	2021	2022	2023	2024
Bangladesh	2067.542	2239.623	2426.072	2628.01	2846.756
Bhutan	3533.204	3786.918	4028.307	4310.651	4593.283
China	10872.5	11773.1	12718.79	13723.67	14811.79
India	2338.115	2529.343	2737.149	2965.506	3209.673
Maldives	16620.42	17677.99	18802.69	19974.12	21134.11
Nepal	1176.582	1275.688	1376.053	1477.144	1582.534
Sri Lanka	4152.213	4411.555	4688.418	4987.481	5318.716

Source: International Monetary Fund, World Economic Outlook Database

The SAARC region, including Myanmar and Afghanistan, in addition to the above-mentioned countries. China is included in this economic analysis because it is a neighbor of Nepal. Pakistan and Afghanistan are not included due to the unavailability of data for all years.

The per capita income in 2024 is 21134.11 for the Maldives, 14811.79 for China, 5318.716 for Sri Lanka, 4593.283 for Bhutan, 3209.673 for India, 2846.756 for Bangladesh, and 1582.534 for Nepal. Among these countries, Nepal has the lowest per capita income.





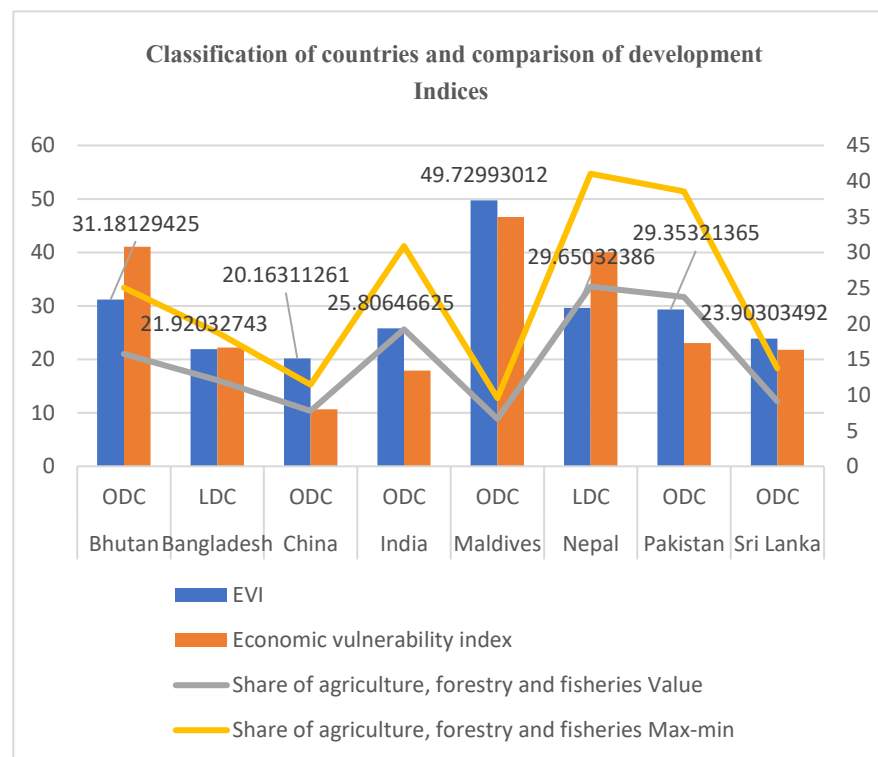
### Nepal in some other important indices

Countries	Status	EVI Greenness Index	Economic risk index	Part of agriculture, forestry and fisheries	
				Value	Max-min
Bhutan	ODC	31.18129	41.07874986	15.77029825	25.03440382
Bangladesh	LDC	21.92033	22.18862021	12.0648569	18.75399474
China	ODC	20.16311	10.65729801	7.75020491	11.44102527
India	ODC	25.80647	17.87651642	19.22348503	30.88726276
Maldives	ODC	49.72993	46.63991255	6.648892238	9.574393624
Nepal	LDC	29.65032	40.0642592	25.20891988	41.03206759
Pakistan	ODC	29.35321	23.02159708	23.73838267	38.53963164
Sri Lanka	ODC	23.90303	21.81891921	9.100018718	13.72884529

Source: <https://www.imf.org/en/Publications/SPROLLS/world-economic-outlook-databases>

EVI (Enhanced Vegetation Index) is an enhanced vegetation index, which Used to check greenery. It checks the condition of the surrounding

vegetation. It is more important for EVI for people who depend on rain-fed agriculture farms . Yes . This calculation also benefits the health sector. “Exposure to green spaces in the neighborhood has a positive impact on physical and mental health outcomes. It also



benefits<sup>2</sup> mortality and cardiovascular disease. ” (Amy Mizen, & et.al, 2024) Studying this index helps us to understand where we are. We find that the EVI is calculated as 1/2 of the economic risk index

<sup>2</sup> Mizzen A, Thompson DA, Watkins A, Akbari A, Garrett JK, Geary R, Lovell R, Lyons RA, Nieuwenhuijsen M, Parker SC, Rowney FM, Song J, Stratton G, Wheeler BW, White J, White MP, Williams S, Rodgers SE, Fry R. The use of Enhanced Vegetation Index for assessing access to different types of green space in epidemiological studies. J Expo Sci Environ Epidemiol. 2024 Sep;34(5):753-760. Doi : 10.1038/s41370-024-00650-5. Epub 2024 Feb 29. PMID: 38424359; PMCID: PMC11446865.



and 1/2 of the environmental risk index. The above-mentioned statistics show that Nepal is a Least Developed Country (LDC). In South Asia, only Nepal and Bangladesh are included in the list of least developed countries. ' There are 44 least developed countries in the world ' (UNESCO, 2025).

### GDP and Purchasing Power (PPP).

Figure 1: GDP and Purchasing Power (\$ Billion)

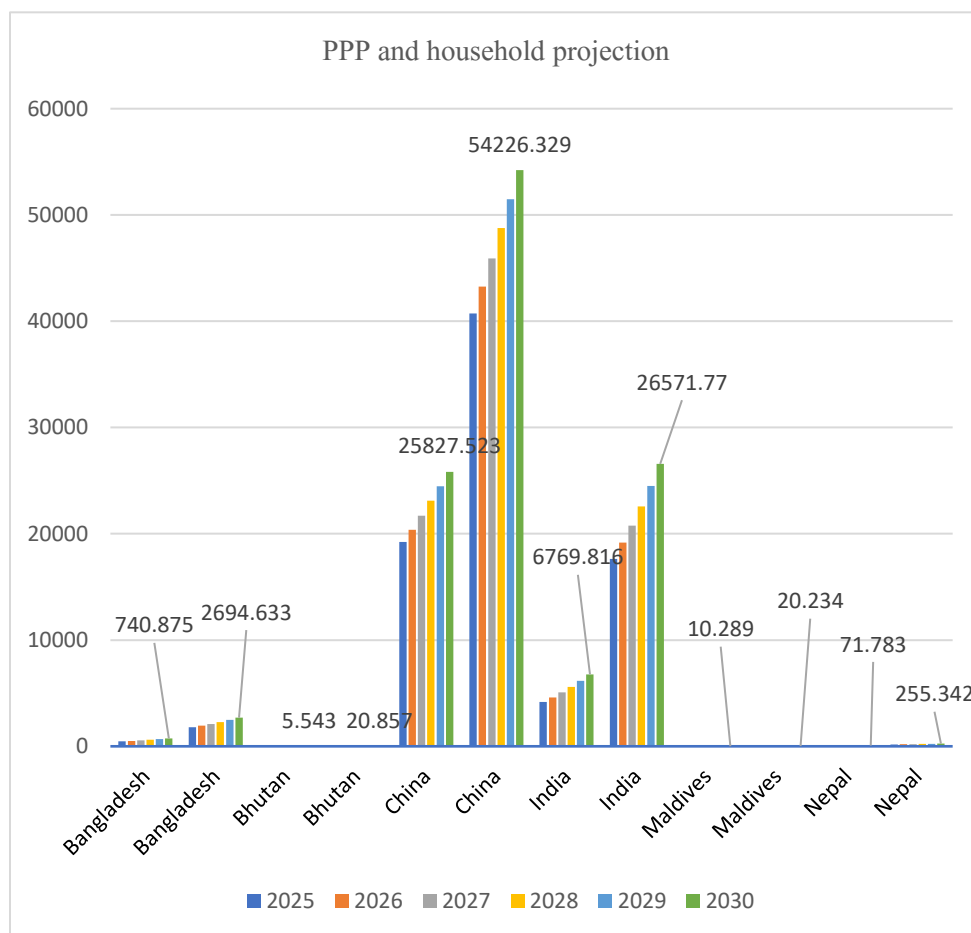
Countries	Currency unit	2025	2026	2027	2028	2029	2030
Bangladesh	\$	467.218	513.121	557.136	606.807	672.75	740.875
	PPP; ID	1783.42	1941.399	2091.401	2265.679	2480.891	2694.633
Bhutan	\$	3.422	3.802	4.157	4.563	5.071	5.543
	PPP; ID	14.106	15.423	16.504	17.792	19.406	20.857
China	\$	19231.71	20375.86	21706.81	23102.98	24454.65	25827.52
	PPP; ID	40716.45	43252.84	45905.53	48762.93	51490.88	54226.33
India	\$	4187.017	4601.225	5069.47	5584.476	6148.426	6769.816
	PPP; ID	17647.05	19162.48	20777.9	22585.77	24491.88	26571.77
Maldives	\$	7.48	8.119	8.62	9.144	9.698	10.289
	PPP; ID	15.03	16.024	16.985	18.033	19.095	20.234
Nepal	\$	46.08	49.603	54.449	59.728	65.494	71.783
	PPP; ID	180.64	194.708	208.282	223.261	238.716	255.342

Source: International Monetary Fund, World Economic Outlook Database, April 2025





Purchasing power parities (PPPs) are currency conversion rates that attempt to equalize the purchasing power of different currencies and the differences in price levels between countries. The baskets of goods and services priced are a sample of all those that form part of final expenditure. Final consumption by households and governments is based on fixed capital formation and net exports. The indicator is measured in terms of the national currency per US dollar. For example, how



much is one American dollar worth? Nepali rupees are created. This is known as purchasing power in US dollars. ' The International Comparison Program (ICP) was established in 1968 by the University of Pennsylvania and the United Nations to facilitate comparisons between different countries . ' <sup>3</sup>The above figures project Nepal's GDP to be 71.78 billion US dollars in 5 years. In PPPs, it is projected to be 255.34 billion dollars.

The GDP and purchasing power of China and India by 20230 are projected to be 25827.523 billion US dollars and 54226.329 and 6769.816 billion US dollars, and 26571.77 respectively. Nepal is a neighboring country with shared borders.

**Changing Economic pattern of the world:** The world has been multipolar, and the economy is changing from global to local self-sufficiency, which should be at least able for the countries to feed their population, provide clothes, education, and health education. “A method of GDP growth is based on technological progress, and human and physical capital formation as major drivers of long-term GDP per capita growth”

<sup>3</sup> World Bank. " [International Com](https://www.worldbank.org/eng/programmes/icp#2) [https:// www.worldbank.org/eng/programmes/icp#2](https://www.worldbank.org/eng/programmes/icp#2)



(Marian Leimbach, Elmar Kriegler, Niklas Roming, Jana Schwanitz, 2015). In the case of “Nepal and Bangladesh, “there is little research on how these countries should approach managing their economic growth strategies to minimize their environmental impacts, including as part of official international commitments (Bishal Baniya, Damien Giurco & Scott Kelly, 2021)”. The main issue of the study is how to make the country prosper. there are some variables that need to be addressed, such as a policy on controlling mass migration in search of jobs and education. a study carried out by D.B. Paudyal (2013) on the Nepalese economy he mentioned that the political institutions, such political system, economic policies, law and order “Correcting institutions such as political system, economic policies, law civil societies, nongovernmental organizations should stand together for preserving social values and norms; it can foster the development of Nepal and make the country rich and peaceful” (Paudel, 2013). Nepal has gone through a political transformation and needs its stability, without a stable government and political system, and national development policies and implementation dedication, the development at a rapid speed would be imagination.

**Cultural Economy:** Nepal is at a crossroads of development, and navigating the economic development culture of production could play a pivotal role. “Culture is not a means of entertainment but also a source of economic activities. In ancient times, government or local organizations organized various festivals and promoted the local economy.” (Dhakal C. P., 2023). The entertainment part of the culture is also taken as an opportunity for business and to boost business production.

Culture: It is divided into tangible and Intangible

**Tangible cultural parts of economic growth:** Tangible cultural heritage has been depicted in historical and religious monuments, buildings and places, religious and funerary buildings such as temples, mosques, and cemeteries, and military and civil buildings such as forts, palaces, castles, baths, dams, towers and walls worthy of protection and preservation (Abdel-Fattah, 2021). Religious pilgrimages, such as the Pasupatinath temple for Hindus and non-Hindus, Lumbini- birthplace of Buddha, and Muktinath and Pathivara, are some major tangible cultural and religious places to visit. The economy starts with transportation, hotels, restaurants, guides, and small shops for souvenirs and gifts. The production of gifts connected to cottage industries involves the growing plants such as Bodhi, which have high value, and Rudrakshya.

**Intangible cultural economy:** Traditional skills and construction, weaving, religious functions, carving of different patterns, statue making, lost wax casting to prepare statues of deities, and others. Food items and their use in restaurants, preservation, packaging, and branding could be a source of economic development.

**Informal economy:** ‘Poverty, severe decent work deficits, low-quality employment, inadequate social protection, weak governance, and low productivity are the main causes of the informal economy. When businesses and people fall into the informality trap, they confront challenges (ILO, Informal economy, 2025)’.

ILO country office of Nepal explained the informal economy as ‘ ILO recommendation No. 204 defines all economic activities by workers and economic units that are in law or in practice not covered or



insufficiently covered by formal arrangements as part of the informal economy and explained on the number of informal economies as 2 billion people or 61.2 percent of the global workforce are in informal employment and 8 out of 10 economic units are informal. South Asia, at 87 percent, ranks above the global average, but Nepal ranks among the top even within the region. Nepal has 84.6 percent of its workforce in the informal economy (ILO, 2024).

Promotion of locally made clothes, cloth pattern of Jumla, especially in Sinja Valley, a unique way of preparing color, at present, women are using it to put on as a Sari, the skill could be transferred to another pattern also. Clothes made of Allo and mixed with wool, hem, and cotton would be a source of economic development. Allo has the potential to make Nepal a unique place for producing sports clothes. It has this quality due to its internal structure. 'The high strength and thermal stability, coupled with good moisture regain, make it appropriate for use in protective clothing applications. The staple-length fibers can be used in nonwovens and biocomposites for various industrial applications (Vishwajeet Vishwajeet, Abhijit Majumdar & Deepti Gupta, 2024).

Nepal is in a unique position and with proper climatic conditions with abandoned natural resources available. Nepalese youth need to harness these resources for the economic development of Nepal. The biodiversity of Nepal puts it in a unique position to explore the products that are viable in different climatic conditions, which is rare in other countries as well. The people of Nepal have comparative advantages compared to neighboring countries. The country is part of a biodiversity hotspot and lies in a transition zone comprised of six floristic regions. Six biomes occur in Nepal, including as many as 35 forest types and 118 ecosystems, which have been classified based on altitudinal, climatic variations, and vegetation types (CBD, 2025 Ret).

### **Strength of Biodiversity in Economic Gain**

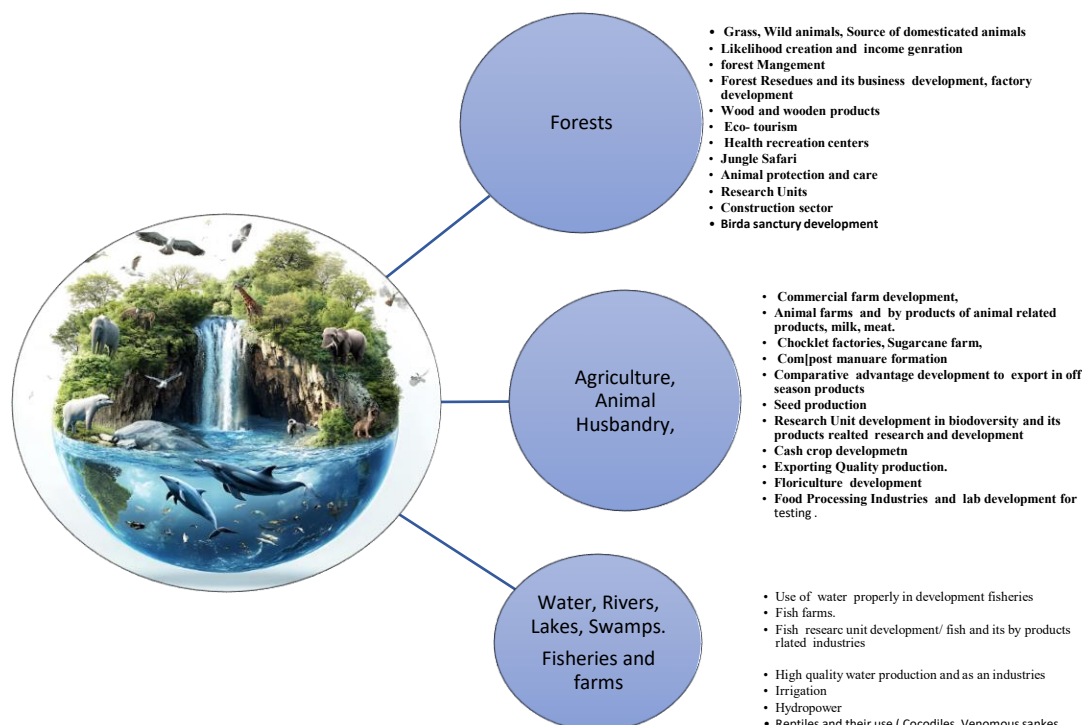
The mountain ecosystem in Nepal comprises a high number of endemic species occurring in subalpine and alpine zones. Nepalese rangelands have high biodiversity and are estimated to cover nearly 12% of the country's total area, providing habitat for various flowering plants, including widespread species and wildlife as well as globally threatened species. The mountain ecosystem in Nepal comprises a high number of endemic species occurring in subalpine and alpine zones. Nepalese rangelands have high biodiversity and are estimated to cover nearly 12% of the country's total area, providing habitat for various flowering plants, including widespread species and wildlife, as well as globally threatened species.

Additionally, these grasslands support domestic livestock, which is a crucial source of local livelihoods. About 21% of the total land area of Nepal is used for agriculture. The principal cereal crops grown are paddy (53.6%), maize (23.0%), wheat (19.5%), and millet (3.3%). Likewise, major cash crops include sugarcane (51.3%), potato (45.3%), and oilseed (3.1%). Similarly, horticultural diversity includes over 100 high-yielding varieties of various fruit crops. There is also a great diversity in indigenous livestock breeds in Nepal. The cattle population totals 7.2 million, in addition to 5.1 million buffalo, and 9.5 million goats, among other livestock. The major annual livestock production includes 1.6 million tons of milk and 0.3 million tons of



meat. 1 Approximately 286 plant species and 160 animal species have been reported as being endemic to Nepal, concentrated at the subalpine and alpine zones (CBD, 2025 Ret).

### GDP Development Activities Use of Biodiversity as a Model



### Mineral Mining and Marketing

**History of mining:** Nepal has a 2-century-old history of mining minerals. A systematic mining study was conducted in 1950 and later in 1976 after the establishment of the Mines and Geological Department in the government of Nepal. They have identified audit was conducted in 1950. The evidence of the history of mining was found in the old remnants in many places and villages, some of which were named after mineral names such as Tama Khani (copper mines), Falam Gau (iron village), Sisha Gau (lead village), Khani Gau (Mines village) or Sun Chahari (gold falls). It could be evidence that small amounts of iron, copper, lead, zinc, cobalt, nickel, and gold have been mined in Nepal since prehistoric times.

“The mining and quarrying sector contributed less than 0.5% of Nepal’s GDP (Moon, 2023) and in FY 2075/076 BS (2019), they obtained 388 prospecting licenses to explore 16 minerals and 143 mining licenses to mine 17 mineral commodities from DMG ’ (Krishna P. Kaphle, 2020). According to the Department of Mines and Geology, the minerals are deposited as follows “Based on the commodity, the minerals of Nepal have 64 different categories so far identified as 21 items of the metal mineral group, 23 items of non-metallic industrial mineral group, 6 items of gemstone group, 10 items of construction



materials, and 4 items of fuel mineral group and those were “Metallic minerals of Nepal include Antimony, Arsenic, Bismuth, Cadmium, Chromium, Cobalt, Copper, Gold, Iron, Lead,

Zinc, Lithium, Mercury, Molybdenum, Nickel, Silver, Tantalum/Niobium, Tin, Titanium, Tungsten, and Uranium. Nonmetallic industrial minerals of Nepal include minerals such as Barite, Calcite, Clay, Common Salt, Corundum, Dolomite, Feldspar, Garnet, Graphite, Magnesite, Mica, Ocher, Pegmatite, Phosphorite, Pyrite, Silica Sand, and Sillimanite that are used to make chemicals, fertilizers, insulators, ceramics, refractories, and abrasives. On-metallic gem minerals of Nepal include Beryl and Aquamarine, Kyanite, Quartz, Ruby, Sapphire and Tourmaline. Non-metallic construction materials of Nepal include Basic Rocks, Boulders, Gravel and Sand, Granite, Gypsum, Limestone, Marble, Quartzite, Slate, and Syenite. Fuel Minerals and Thermal Springs of Nepal have Coal, Geothermal Hot Spring, Natural Methane Gas, Petroleum, and Natural Gas (Gov.np, Mineral Resources, 2025)” (Krishna P. Kaphle, 2020).

Without proper use of minerals, the country would not be developed properly, since the precious minerals are sold for development and used for development. Almost all developed countries have heavily exploited the materials found on the Earth. None of the countries that are highly developed could say, they have extracted minerals from the earth. Nepal also has very precious materials such as Uranium and others, which still need to be explored further.

### Findings of the Research

Nepal is progressing slowly but is still behind its neighboring countries. It has been planned to upgrade from a least developed country to a developing country, and lower-middle-income countries rank. Nepal is behind in development in South Asia, and the SAARC countries are lacking in development compared to the economic factors. Nepal is 7 out of the 8 countries. It indicated that Nepal has to be serious about its economic development and utilize its resources at an optimum level. The country has huge potential for GDP increase, discovered that the cultural economy needs to improve. The Agricultural sector should be conducted by technology and study the demand of the neighboring country and move accordingly to secure the market. Nepalese products should be of good quality and labeled with all the ingredients and lab certificates for exporting goods. To secure the market, the government should have regular facilitation with the international community.

Nepal has a significant cultural economy, encompassing both tangible and intangible aspects. The tangible economy is evident in its temples and pilgrimage sites, such as Pashupati and Lumbini, the birthplace of Buddha. Many other places await exploration, including the great Lumbini trail, Janki temple, Pathibhara, Supa Deurali, Muktinath, Badi Malika, Mankamana, and others. These sites need to be highlighted to encourage travel, alongside the development of infrastructure, hotels, and resorts. Additionally, some of the important natural beauties of the Himalayas and scenic observation areas should be utilized, offering closer views of the mountains and base camp travel. The intangible aspect of the culture holds potential in production and must be integrated into the core of the economy.



Use of Natural resources properly, such as water, lakes, and rivers, is another source of uplift of the economy. The country should have proper policies, laws, and a proper balance in international relations to gain benefits from the large population of the area. Biodiversity and Agricultural production have a high potential to find good markets in the neighboring countries. high altitude seed production, and different varieties of fruit production will have good opportunities in foreign markets, including apples and their value, other fruits, and value technology should bring economic prosperity.

Nepal, from the turmoil in the world, cannot remain untouched. Changes in the supply chain in the international arena also affect the economic development, employment sector, and small industries of underdeveloped countries. 44 underdeveloped countries like Nepal expect special facilities. Nepal is a low-income country in South Asia. Its closest neighbor, China, is in second place in the world economy, while India is in fourth place. The development of both these countries will surpass the economies of developed countries in terms of GDP. Nepal has been projected to grow to 71.783 billion in the next 5 years. Some important tasks need to be completed to make this projection a reality. It is necessary to involve the people in economic activities, make them creative, and emphasize the use of technology. Nepal has deposits of more than 100 minerals, and these need to be mined properly for the benefit of the country. These mines were extracted in history, and now these should be explored further and extracted accordingly. It will help to reduce the dependency on other countries.

### **The way forward in economic development**

1. Nepal should be able to generate about 25,000 megawatts of electricity and sell it to neighboring countries in the next 10 years, attracting the Nepalese diaspora to invest. Doing business in Nepal needs to be made easier, and all transactions need to be made online with the card payment system. In most of the developed countries, in the coming few years, it will start. (It will control money laundering drastically)
2. It is necessary to improve agricultural production in a big way. Attract youth to modern agriculture and ensure a market for every product. Agriculture means animal husbandry, poultry farming, and even fruit. Emphasis should be placed on items of comparative advantage and export-oriented products. Special plans should be worked on for technology-friendly agriculture.
3. Establish industries in various places to produce clothes made from a mixture of hemp, hemp, and cotton produced in the forests of the mid-hills to the Himalayan regions based on 3P in the production of 100 percent export-oriented goods that can contribute to the national economy. To make this a success, invest in partnerships between the public, government, and the private sector.
4. Adopt the concept of 3Ps in establishing the fertilizer industry. For this, work should be carried out at a rapid pace, and attention should also be paid to the Indian market.
5. To brand the industries and export them to the international market. To organize the construction site of every statue built in Nepal and make it a tourist attraction center.
6. To enable local municipalities to identify and develop self-reliant areas at the local level.





7. Add international flights, establish direct flights, maintain direct air connections to European countries, increase direct air connections to China, Japan, and Eastern European countries, and promote Nepal's tourism.
8. To work together in nation-building to complete Nepal's plans on time and to make the most of the country's minerals.
9. To make higher education like a research center and to increase the number of teachers with science labs in every school, to arrange training, and to produce manpower who love the country, which will become production-oriented and self-employed.
10. Focus on sports tourism and create an environment for it. Attracting players from around the world to fields like golf and cricket at an altitude of 10,000 feet.
11. To create an environment that encourages diaspora investment and to build an environment of education and health in Nepal.
12. Bring about reforms in education that will accelerate Nepal's development, including laws, good governance, and the creation of accountable human resources.
13. High-value minerals need to be mined to increase their GDP, and it should ensure the equitable distribution of the resource for the development of Nepal.

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