

From Hashtags to Economic Shock: Digital Mobilization & Business Disruption during Nepal’s Gen-Z Protest

Subekshya K.C. 

Lecturer, Apex College

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Email

subekshya.kc@apexcollege.edu.np

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Abstract

In Nepal, the September 2025 Gen-Z protests marked a pivotal shift in the nation’s political and economic landscape. Sparked by entrenched issues of corruption, governance failures, and accountability deficits, this digitally mobilized youth movement evolved into one of the largest uprisings in recent history. This study examines how online coordination transitioned into profound economic disruptions, including declines in foreign direct investment (FDI), banking operations, stock market performance, and tourism revenues. Employing a qualitative approach, the research draws on secondary data from government reports, financial metrics, and media analyses. It is complemented by semi-structured interviews with 12 stakeholders directly or indirectly impacted by the unrest, providing nuanced contextual insights. Findings reveal that while digital platforms accelerated mobilization, economic fallout stemmed primarily from amplified uncertainty and perceptual risks. Notable drops in FDI pledges, market capitalization, tourist arrivals, and credit growth underscore the rapid erosion of investor confidence. The protests exposed institutional frailties beyond mere technological curbs, signaling deep societal discontent. This paper bridges digital activism with macroeconomic effects, enriching literature on generational dynamics. It advocates governance reforms, enhanced transparency, and proactive risk strategies to safeguard stability in volatile settings.

Keywords: gen z, digital mobilization, economic disruption, governance, accountability, transparency, youth activism

Introduction

“Gen Z” is the hottest buzzword that almost everyone is talking about nowadays, all over the world. Generation Z, commonly defined as individuals born between 1997 and 2012 (Dimock, 2019), has emerged as a decisive political and social force worldwide. Contrary to narratives portraying this generation as disengaged from formal politics, recent youth-led movements across

South Asia, Africa, and Latin America demonstrate an increasing willingness among young citizens to challenge governance failures through collective action. Who would have thought that people of this age could bring about a revolution in the country? No one is really prepared for the after-effects of Gen Z’s mass actions. The protests were coordinated online by a loosely organized, anonymous youth group that called itself “Gen Z”, and they used

platforms like TikTok, Instagram, and Discord. The 2024 mass protests by young citizens in Bangladesh, Kenya, and Serbia were followed in 2025 by similar protests in Indonesia, Madagascar, Mexico, Morocco, Nepal, Peru, the Philippines, and Timor-Leste (Fong, 2025). The latest events exemplify a broader trend: the growing prominence and impact of Gen Z-led protests in different parts of the world. The rise of youth-led protests is a strong indication that Gen-Z deeply engaged in political and social discourse and actively shaping it.

Every nation's youth are its future. Turning the pages of our history reveals that the revolution requires a fight, a fight led by a determined youth who seek a better world. The scenario is the same, but the method is different. Before, very few people revolted; it was hard to convince the government. Now with all the social media, and the technology, because of globalization, the world has become one big village. One hashtag makes a trend, every movement is being watched, is being observed, and copied. The Gen-Z movement was a big movement because of the social media, mainly the hashtags.

Nepal has faced a disruptive socio-political past marked by numerous political upheavals. The democratic movement of Nepal (Prajatantra Aandolan) in 1951, the People's Movement (Jana Andolan I) in 1990, the People's Movement II (Jana Andolan II), and the subsequent institution of federalism are events that cannot be forgotten (Sarma, 2025). As history unfolds, the student movement in Nepal was initiated by the Jayatu Sanskritam movement that was against the Rana Regime in 1947 AD (1st, Asar, 2004 BS), which demanded the inclusion of modern subjects in the curriculum of Rajakiya Sanskrit Vidyalaya (MyRepublica, 2017). Later, the *Panchayat* system, which was a party-less political order where political parties were officially banned, was the turning point of student activism. It led to student union engagement in opposition to the panchayat system becoming a very strong force. Since mainstream political parties were not present, student organizations like Nepal Student

Union (NSU) and All Nepal National Free Student Union (ANNFSU) emerged to support the political parties by arranging underground resistance against the *Panchayat* system. In various regions of the country, street protests, sit-ins, strikes, and demonstrations were organized.

The overthrow of the *Panchayat* regime and the reinstatement of democracy resulted in the recognition of student unions' ability to politically mobilize. At the time of Nepal's transition from democracy to federalism, student unions played a significant role in leading the 2006 People's Movement II (Bashyal, 2024). Students organized massive protests and demonstrations all over the country, demanding the end of the monarchy. After democracy, student unions concentrated on advocating for the people's civil liberties and democratic rights. Even during the constitutional drafting phase, the involvement of student wings in influencing the constitution and also in pressurizing and advocating for the voices of the grassroots people are commendable. Every student movement is evidence that they are the future of any country, and when they come forward, it means that change is required in all areas.

September 2025 (Bhadra 2082) will be etched in the memory of every Nepalese. Beginning on September 8, there was a series of protests and demonstrations throughout the country, with most of them led by Gen-Z students and youth. Nepal is ranked 107 out of 180 countries as per the Corruption Perception Report 2024 by Transparency International. The "Nepo Kid" campaign drew widespread attention by calling out the children of political and social elites for benefiting from corruption, with the message spreading rapidly across platforms like TikTok and Reddit. The social media ban acted as a catalyst; the unrest was rooted in deeper frustrations – corruption, lack of transparency, lack of good-governance, wealth disparity, and lack of accountability. Kathmandu and other cities were filled with tens and thousands of protesters on Sep

8, 2025. A large number of students were among the protesters who held placards with inscribed “Youth against corruption” and #WakeUpNepal.

The demand for accountability that initially came from the youths through fragmented channels soon became the biggest civic uprising in a decade.

Figure 1

Gen-Z Protesters Gathered at Maitighar Mandala on September 8, Voicing Strong Opposition to Corruption and Demanding Accountability from Political Parties



Note. The Kathmandu Post (2025)

The protest was organized by Gen-Z youths, and this movement started through social media and boom youth all over the streets. The protest was peaceful at the start, but within hours, it was totally chaotic with chants all over the country of “enough is enough”. The authorities used tear gas, water cannons, and rubber bullets on the crowd, while the protesters attacked the barricades that the police had put up (Human Rights Watch, 2025). At least 19 people, including school children, lost their lives, and more than 300 were injured by the end of the day (Shamim, 2025). Within one day, the unruly crowd had spread throughout the country. The democratic leaders of the entire world should take a decisive lesson from the events of 8 September- it is not only morally wrong but also very counterproductive for a state to respond to peaceful protests with such brutality. Maintaining room for nonviolent protest is essential to democracies. Suppressing the right of citizens to

peacefully protest is the most catastrophic thing that can happen to a democratic government, especially when it results in the deaths of 19 protesters in a single day (Walker & Dahal, 2025). There was so much pressure on the government to the extent that they lifted the ban on social media platforms. The Home Minister Ramesh Lehak stepped down which indicated the first major political casualty of the protests (The Kathmandu Post, 2025). The youth kept their movement alive, and their demands grew louder: dissolution of parliament, transparency, and accountability, even after the government crackdown.

Despite the nationwide curfew, the Gen-Z movement carried out protests in cities throughout Nepal on September 9th in response to the brutal suppression. Historically, street protests had been one of the most important political tools of the Nepali civil society to bring about political changes. However, the events of September

9 were beyond anyone's imagination as the demonstrations rapidly spiraled out of control and into violent disorder. Protesters had by the end of the day, set fire to the Parliament Building, Singha Durbar government complex, the Supreme Court, and also downtown residential areas of the political leaders (The Himalayan Times, 2025). Political party headquarters, mainstream media outlets, Bhatbhateni outlets all over Nepal, and landmarks representing the wealthy elite, including the Hilton hotel, were also burned by the protesters (Choudhary, 2025). Gen-Z protesters said that the infiltrators had taken over the protests and were mainly responsible for the widespread violence. In addition, the leaders of the political parties and their cadres were savagely attacked and pulled out of their houses. Many were beaten by the crowd while some youths were defending them. The lawlessness surged as the protesters

set fire to government buildings, police stations, and the residences of politicians. The protesters were asking for the resignation of KP Sharma Oli from the prime minister's post. By the afternoon, Oli had sent a letter of resignation to Nepal's president, Ram Chandra Paudel, and escaped under army protection (Sharma & Chitrakar, 2025). The criminals came out of jail, police stations were wrecked, and even the guns were stolen. The entire country was almost broken. The prime minister's chair was vacant, and the citizens were scared. And there was just one question: who is going to be the guardian of the country? Around 10:00 PM, the Nepali Army declared that it would "take charge" of the country in the absence of the prime minister to ensure law and order is maintained (Sargainya, 2025). Early in the morning, Nepali Army soldiers were seen patrolling neighborhoods in vulnerable areas.

Figure 2

A Blood-Soaked Symbol: How One Shoe Came to Represent Nepal's Gen-Z Revolution



Note. A blood-soaked white shoe that became a powerful symbol during the protests, circulating across social media and national news. The white shoe became a symbol of Nepal's Gen-Z revolution. It took on a deeper meaning when the owner was identified. At the recent Kantipur Conclave episode, Mr. Prakash Bohora, the man behind the shoe, shared his life story on stage, turning what began as a viral image into a moving account of struggle, resilience, and lived reality that resonated strongly with the public.

(Photo by: Dinesh Gautam/Onlinekhabar, 2025)

September 10 and 11 were very disturbing days for Nepal. A rising tide of Gen-Z voices called for the dissolution of Parliament, their frustration and desire for real change fueling the call. They were not seeking leaders who worked for personal benefits, but rather someone with a vision beyond politics, truly thinking of the future of Nepal. Among the many names that came up, Balen was the one who was most strongly supported by a large section of the Nepali people. Conversations filled homes, streets, and social media. Some individuals even came out, saying they were ready to take responsibility if given the opportunity. On the 12th of September, a small but strong feeling of hope seemed to come back, giving fresh vitality to the people's hearts.

Since 1990, the country has gone through a series of twenty-seven prime ministers, each of whom has stayed in office for an average of a year. What's more, none of them has been a woman. That all changed on the 12th of September when Sushila Karki, a former chief justice of Nepal, was sworn in as the first woman prime minister of the country in the interim government (Mulmi, 2025). She was to perform duties as per Article 61(4) of the Constitution (Kayastha, 2025). Following her recommendations, the President decided to dissolve the House of Representatives. This was done as the new government was to conduct the elections on Falgun 21, 2082. September 8 and 9 were more than protests; they were a moment when the nation's youth claimed their future. According to the National Planning Commission, 77 people died in the protests, of whom 73 were men, and 4 were women. The total physical damage is estimated at Rs. 84 Arba 45 Crore and 77 Lakh, which is 1.38 percent of the country's gross domestic product (National Planning Commission, 2026) and 4.30 percent of the current fiscal year's budget. Of the total damage, 53 percent is in the government/public sector, 40 percent in the private sector and 7 percent in the community and endowment sector. During the protests, 688 government offices, 259 private residences, 128 commercial establishments,

198 political party offices, and 307 police stations were set on fire or vandalized. 15,588 prisoners escaped from various jails across the country and 978 firearms were reported stolen or lost during the protest (New Spotlight Online, 2025).

These were days when centers of power trembled and history was reshaped through unrest, sacrifice, and uncertainty, and whether they are remembered as a revolution of hope or a movement overtaken by darker forces remains open to interpretation. What is certain, however, is that Nepal will never be the same again. As the nation stands at this turning point, pressing questions arise about what lies ahead what the future holds for Nepal's youth, whether this country can become a place not just to survive but to live and thrive, and who will truly shape its direction. With elections approaching and many leaders submitting their candidacies, hopes and doubts exist side by side. Can stability return to the business environment? Can the economy recover to its former strength, and can this moment become a genuine turning point rather than another cycle of unfulfilled promises? The answers to these questions will define Nepal's path for years to come.

Problem Statement

The demonstrations in Nepal are not something that can be explained as spontaneous or accidental events. They were the result of accumulated political, social, and institutional issues that had been left unresolved for a long time and that gradually lost people's faith in the government. In particular, young people got very disappointed when their worries about corruption, lack of accountability, and limited opportunities were not taken seriously. And that is why, when they decided to present a united front, it was not just an operatin of the fuses but more of a failure of existing channels that had not given them any meaningful response. What started out as demonstrations in the streets soon became widespread disorder revealing the youth mobilization that was met with such unpreparedness not only on the part of the government but also the society.

Initially, most people expected that a demonstration propelled mainly by Generation-Z would be temporary and not possess a strong persistence. This perception was one of the reasons for the general trend of underestimating young people's political awareness and their ability to remain engaged over time. In reality, things turned the other way round. The movement became more powerful and prominent, and it attracted public attention, thus making itself a part of the national discourse and presenting a challenge to the politically established narratives. Instead of disappearing, the movement redefined the concepts of political participation and dissent in Nepal, especially when considering a generation that is digitally connected.

Unfortunately, public and media discourses about the protests have often simplified the movement and identified its single cause. Most of the reports focused on social media bans as the immediate cause of protests, thus failing to recognize the wider situation in which the unrest occurred. Clearly, digital platforms played a major role in the dissemination of information and enabling coordination; however, their role was more that of the mediums of expression rather than the cause of the protests. A complete exaggeration of the circumstances of the whole scenario that sparked the unrest to attribute the protests just to the backlash to a digital policy, which draws attention away from the actual problems that drove people to participate.

These grievances were grounded in persistent governance failures, including a lack of transparency, limited accountability, entrenched corruption, and exclusionary decision-making processes. Unfortunately, young people bore the brunt and they are the ones who suffer from all the misery that come with economic instability, joblessness, and loss of faith in political leaders. For the youth, alienation from such institutions as their representatives is a strong push factor to go out and protest on the streets and help them reclaim their identity and get recognized. Hence, not only

did they contest the traditional youth stereotypes, but they also forcibly symbolized the confirmatory results of a political psychology that shows highly underestimated collective political activism.

Therefore, this research seeks to address this gap by analyzing the economic consequences of the protests in Nepal. By moving beyond surface-level explanations and media narratives, the study attempts to provide a comprehensive understanding of how political turmoil influenced economic operations and what challenges Nepal continues to face as a result. Highlighting these impacts is essential for policymakers, researchers, and stakeholders to develop informed strategies that promote good governance, economic resilience, and sustainable development in the future.

Research Objective

The primary objective of this study is to examine the influence of digital mobilization on the Gen-Z protest in Nepal and to analyze its effects on business operations and economic performance.

Literature Review

Sangwa (2025) highlights that Generation Z gets involved in social and civic matters in ways that are radically different from those of previous generations, mainly by the use of digital platforms. The article describes that a large part of Gen Z's activism results from online engagement, where information circulates very fast, and participation is motivated by shared values rather than formal organizational structures. The authors mention that young people tend to focus more on issue-based engagement, emotional expression, and the creation of a collective identity, usually working outside the traditional political institutions. This way of participation is a manifestation of the broader transition in the concepts of responsibility, power, and civic engagement among the younger generations. Such results can be considered for gaining a better understanding of current protest movements, as they indicate that digital spaces are not just communication tools but fundamental places where social consciousness and mobilization are generated.

McCargo (2021) emphasizes that Generation Z protests often prioritize questioning dominant political narratives over issuing policy proposals. The 2020 youth-led protests in Thailand marked a transition moment. While the protesters generally demanded reforms and used revolutionary rhetoric, their primary aim was to challenge the traditional sources of authority and legitimacy, particularly the previously untouchable position of the monarchy. The movement was divided and sometimes incoherent, yet it still constituted a serious challenge to Thailand's political establishment. A generational gap was strongly exposed in the protests, as the young protesters had a radically different understanding of power, obedience, and involvement in politics than the older generations, whose political attitudes were formed by previous political settlements. Therefore, this literature points out that Generation Z's impact might not be primarily in immediate institutional change but rather in their ability to upset the entrenched social consensus and reshape the limits of political discourse.

Gyawali (2025) analyze Nepal's political movements with a macro-sociological perspective, emphasizing on the structural factors that have been around for a long-time rather than the immediate triggers. The paper argues that both the Maoist movement and today's Gen-Z movement are results of deeply rooted social inequalities, lack of accountability, and persistent political instability. Although the Maoist movement was able to break the monarchy, the research indicates that it did not fundamentally change the structural conditions that resulted in inequality and exclusion. Consequently, new forms of protests emerged, which reflect the tensions that have not been resolved in Nepal's social and political system. From this perspective, the Gen-Z movement is seen as the next phase in a historic series of struggles for justice and accountability that Nepalese have been engaged in, rather than as a break with the past. The change in the generational experiences in the wider historic context has played a role in molding the present-day Gen-Z movement.

Methodology

This study qualitatively studies the role of digital mobilization in Nepal's Gen-Z protests and its perceived economic impacts. The paper relies on the secondary data gathered from multiple sources, such as news portals, government reports, and research papers, to describe the background of the protests and the consequent economic losses. Additionally, primary data were gathered through semi-structured interviews with 12 participants. Responses were kept confidential by anonymizing them. Ethical considerations were maintained throughout, including informed consent.

Results and Discussion

The two-day Gen-Z uprising held on September 8 and 9 (Bhadra 23-24) shook the already weak economy of Nepal in a very big and lasting way. The protests were over in 48 hours, but their effects have been far-reaching and have been felt in foreign investment, banking, tourism and the trading market for weeks. It has been a clear indication of how deeply the political unrest in Nepal has made people lose faith in the country's economic system.

Earlier, the government had set the growth target for the economy at 5.5% for this fiscal year. But the World Bank has revised the projection to 2.1%, citing the Gen-Z protests as one of the major reasons behind the slowdown (World Bank Group, 2025). The International Monetary Fund (IMF) too has lowered its own growth forecast for Nepal, citing ongoing uncertainty and weak investor confidence (Ghimire, 2025).

Fall in Foreign Direct Investment (FDI)

Data from the Department of Industry indicates a dramatic decline in foreign direct investment (FDI) commitments following the Gen-Z protests in Nepal. According to records at the Department of Industry (DoI), the first two months of the current fiscal year painted a promising picture. Nepal secured investment commitments worth Rs 24.10 billion for 127 projects in just one month between mid-July and mid-August, followed by Rs 8.98

billion for 109 projects in the subsequent month, more than twice the amount of FDI in the first quarter of 2024/2025. After months of stagnation, it appeared that the country was finally getting back to investor confidence. However, the optimism did not last long. From mid-September to mid-October, FDI pledges nosedived to just Rs. 2.04 billion for 75 projects, barely a quarter of the previous month's figure. Of this, Rs 1.55 billion for 21 projects came through the paperwork approval process, while Rs. 494.73 million for 54 projects was registered under the automatic route (Prasain, 2026). The violent turn of events during the September 8 and 9 unrest hit businesses hard, both private and foreign-funded entities were severely affected and suffered loss. Analysts attribute such trends are due to the fact that foreign investors have become more cautious and interpret the political unrest as a sign of the increasing uncertainty and potential policy risks in Nepal, thus pointing out that the protests have had a major negative impact on the country's investment climate.

Banking and Credit Behavior

The Nepal Rastra Bank (NRB) reports that total bank deposits increased by Rs. 124 billion between mid-September and mid-October, reaching a total of Rs. 7.455 trillion. There was a massive increase in deposits, but loan disbursements only increased by Rs. 3 billion during the same period, which means there was minimal credit expansion (Khabarhub, 2025). The huge difference between them is a weak credit environment, where banks keep on accumulating liquidity but they remain cautious in issuing new loans, thus mirroring the uncertainty of both lenders and borrowers. Economists see this phenomenon as obvious evidence of shallow consumer and business trust, thus pointing out that, households and businesses are hesitant to borrow and invest amid the serious political conflicts and the worsening state of the economy. It is a depressing situation to point out that the economy is actually stalled as the financial resources available are simply not being put to work in the real sectors, thus limiting growth, investment and overall economic activity. Further, this clearly

portrays that the Gen-Z protests indirectly impacted financial behavior and confidence in the banking and credit markets of Nepal.

Stock Market Response

The Gen-Z protests in Nepal had severe and far-reaching negative economic consequences at the national level. This was very evident in the dramatic decline of the Nepal Stock Exchange (NEPSE) index. Trading in the stock market was halted for several days due to the riots, and when the market reopened on September 18, 2025, the NEPSE index dropped by 160.33 points (which is around 6%). This triggered several rounds of negative circuit-breakers and finally a full-day market shutdown. As a result, investors' investment declined by Rs 268.04 billion and the market capitalization declined from Rs 44.67 trillion to Rs 41.99 trillion. This worrisome behavior of the stock market was the reaction of nervous investors as the public and private sectors were both affected by losses due to damages in infrastructure and disrupted businesses, while banks and insurance companies were under increased pressure to pay claims, which in turn reduced their cash availability (CESIF Nepal, 2025).

Tourism Sector

The Gen-Z protests of September 2025 illustrate how digitally mobilized movements can rapidly translate into large-scale economic disruption, particularly in sectors that depend on stability and perception, such as tourism. According to Nepal Tourism Board CEO Deepak Raj Joshi, average daily international arrivals fell from about 3,200 visitors per day before the unrest to approximately 1,300–1,600 immediately after September 8–9, representing a near 40–45% decline at the start of peak season (Silwal, 2025). Hotel and tourism losses were estimated at Rs 25–30 billion, with luxury properties like the Hilton Kathmandu alone reporting damages exceeding Rs 8 billion, and more than 2,000 hospitality workers losing jobs or being placed on unpaid leave during closures and repairs (The Economic Times, 2025). While in Pokhara, around 10 hotels including

Bagaicha Resort and Pokhara Events Center, reported losses in the range of Rs 400 million to Rs 1 billion each (Republica, 2025). According to Tourism Mail Nepal, cancellations reached nearly 40% for hotels and trekking agencies, while foreign travel advisories amplified the reputational damage from widely shared protest visuals on social media. These figures illustrate how digital activism, amplified through hashtags and online networks, can rapidly reshape economic behavior by altering traveler perceptions and interrupting service demand.

The broader economic ripple effects of the protests further highlight the interconnection between digital mobilization and systemic business disruption. Tourism, which supports

over one million direct and indirect jobs in Nepal and contributes significantly to foreign exchange earnings, experienced both immediate revenue losses and longer-term confidence setbacks among investors and service providers. Industry observers reported that even as arrivals began to recover to around 2,800–2,900 per day in the weeks following the protests, demand remained fragile and occupancy levels stayed well below normal for peak season (RedReachHimalayan, 2025). The combination of physical damage, sharp declines in bookings, and prolonged perception issues demonstrates how digitally driven civic action can inflict deep economic impacts beyond the political sphere, affecting employment, community tourism, and investment sentiment alike (Malla, 2025).

Table 1

Comparison of Tourism Sector Before Vs. After

Category	Before Sep 8	After Protests	Change
Daily Tourist Arrivals	~ 3,300/day	1,400-1,600/day	-50%
Hotels Fully Operational	95%	60%	-35%
Jobs Supported by Tourism	~ 1 million	~ 800,000 (estimated)	-20%
Estimated Economic Loss	-	Rs 90 billion	-

Note. RedReachHimalayan (2025)

Qualitative Insights from Interviews

From the study of the 12 participants' responses, I figured out 6 themes. All the themes and excerpts supporting the themes are presented below:

Theme 1: Digital Mobilization & Hashtags

The study participants consistently cited that the digital platforms played a central role in mobilizing participants and shaping the protest scenario. Participant I, a 21-year-old BBS student and student protester, shared, "The movement was initially online. At first, it was just hashtags, but suddenly everyone started sharing the same videos. That's when it felt real to me." Echoing this voice, participant II, A 22-year-old student, stated, "I did not follow any political party. I followed posts. When something trended, people showed up." All

these responses indicate how digital mobilization reduced organizational barriers and accelerated collective action.

Theme 2: Speed and Leaderless Coordination

Study participants emphasized the speed and decentralized nature of coordination during the protests, highlighting the absence of formal leadership structures. Participant III, a 24-year-old youth volunteer, explained, "There was no single leader. Information moved faster than orders. If something happened in one area, we would know it in minutes." Similarly, Participant IV, a 19-year-old protester, noted, "The plans kept changing. Social media decided where people went next." These responses demonstrate how digital platforms enabled real-time coordination, allowing the movement to expand rapidly without being dependent on traditional organizational hierarchies.

Theme 3: Perception Vs Reality

Several participants mentioned that online images and stories greatly heightened people's fear and sense of urgency, sometimes even beyond what the reality was. Participant V, a 20-year-old Gen-Z protest participant, shared, "It turned out to me that not everything was as bad as it looked online, but at that time, videos made it feel like everything and every place was dangerous." Supporting this view, Participant VI, a 27-year-old urban resident, stated, "Even the most peaceful areas looked like dangerous ones on social media, and that is why people were more scared than the situation actually was." These responses suggest that digitally circulated images shaped public perception more strongly than direct experience, intensifying both participation and anxiety.

Theme 4: Tourism and Business Disruption

Participants linked the protests to immediate disruptions in tourism and service-related businesses, largely driven by external perceptions of instability. Participant VII, a hotel front-desk staff member in Kathmandu, reported, "We got cancellations from the first moment. Some guests even went away early after their families abroad warned them it was not safe." On the other hand, Participant VIII, a tour guide from Pokhara, explained, "We lost almost all bookings for that week. Tourists kept asking if the whole country was burning." These responses indicate that the online highlight of the protest was one of the key factors in how tourists reacted and that it created a sudden downfall of businesses even in the areas unaffected by the protest.

Theme 5: Financial & Investment Behavior

Interviews with business and financial sector participants revealed heightened caution following the protests. Participant IX, a small business owner, stated, "I just stopped taking more orders. Everyone was just waiting for the condition to be normal. No one wanted to take risks." Similarly, Participant X, a bank employee, shared a different perspective, "Deposits were coming in, but very

few people were taking loans. People were saving rather than spending." These answers align with broader economic indicators showing weak credit growth and delayed investment, reflecting declining confidence amid political uncertainty.

Theme 6: Trust, Governance & Future Outlook

Participants consistently linked the protests to deeper frustrations with governance and lack of accountability rather than a single policy issue. Participant XI, a 25-year-old graduate student, remarked, "The protests were more than just about social media. It was a frustration that had been building up over the years." Likewise, Participant XII, a 29-year-old entrepreneur, cautioned, "If governance issues are not addressed, such movement will happen again. Digital platforms just make it quicker." These perspectives imply that while digital tools facilitated mobilization, the underlying reasons were structural and long-standing and continue to be unresolved governance challenges.

Discussion

As a Gen-Z researcher, this study's findings underscore digital media's pivotal role in shaping our generation's views on political legitimacy, urgency, and participation. Unlike past protests driven by political parties or student unions, Gen-Z activism thrives in networked digital spaces where visibility and emotional resonance drive rapid engagement, as evidenced by the swift escalation of Nepal's September 2025 protests and their immediate economic triggers. Karn et al. (2025) highlight how socio-cultural dynamics in Nepal, aligned with Maslow's hierarchy, amplify such generational needs for belonging and esteem, fueling digitally coordinated unrest.

The demonstrations transcend mere political episodes with transient economic dips; they illustrate how digital-era mobilization compresses the timeline from unrest to market reactions. Sharp drops in FDI commitments, instant stock market corrections, peak-season tourism collapses, and stalled credit growth—despite ample liquidity—

signal responses to perceptual uncertainty rather than physical disruptions alone. In developing economies, this real-time information flow heightens fragility, mirroring Ananda et al.'s (2023) Mandala framework for interconnected Web3.0 operations where networked dynamics accelerate systemic responses.

Market volatility stemmed less from tangible damage than from digitally amplified imagery, live updates, and emotive narratives fostering interpretive instability. Investors and tourists preemptively adjusted amid circulating stories magnifying local risks nationally. Interviews confirmed narrative-driven decisions over direct exposure. Mishra and Ananda (2022) emphasize preparedness for such sustainable operations, advocating adaptive strategies in volatile academic and economic contexts to mitigate perception-based shocks.

Historically, unrest's economic toll was attributed to strikes, infrastructure damage, or institutional paralysis. Here, digital amplification intensified sensitivity in confidence-dependent sectors like tourism and FDI. This exposes governance fragility and low trust, with youth activism revealing structural vulnerabilities. Ananda et al. (2025) propose AI architectures for educational transformation, suggesting scalable tools for real-time risk management in higher education and beyond, applicable to political economies.

Mishra et al. (2025) integrate artificial and emotional intelligence for employees, advocating empathetic AI to navigate such crises, enhancing institutional resilience. Collectively, these works frame Gen-Z protests as catalysts exposing digital-political economy intersections, urging reforms in transparency, governance, and adaptive technologies for stability in Nepal-like settings. This advances literature on youth-driven disruption, prioritizing proactive confidence-building over reactive containment.

Conclusion

The Gen-Z protests of September 2025 will not be only be seen as a political event but as a time when a whole generation, after years of silence that was mistaken for indifference, decided to speak out. What unfolded over those days revealed how deeply disconnected many young Nepalis feel from existing political structures, and how little faith remains in systems that have promised reform without delivering lasting change. This study has shown that the protests were not a sudden or impulsive decision, but rather a culmination of accumulated frustration being vented out through the only spaces where young voices felt visible and heard.

One thing that makes this event hard to forget is that it involved human sacrifices. The country lost young people, students, and future citizens. These deaths were not mere numbers; they were personal, deeply felt, and shared across households and communities. For many in Generation Z, these deaths were a harsh awakening to the harsh reality that the fight for change in Nepal has always been riddled with very high sacrifices. It is this loss of young blood that has given the movement its lasting emotional weight and moral urgency. It also explains why returning to familiar political routines now feels inadequate, even disrespectful, to those who were lost.

The current political environment reflects a society quietly rethinking what leadership should look like. Among the public discussion and especially among young voters, there is a considerable increase in the rejection of recycled political figures and short-term alliances that prioritize the acquisition of power over accountability. However, this does not imply an outright denial of experience or history. Rather, it signals a desire for balance, where experience is paired with integrity, and where new leadership is valued for long-term vision, transparency, and responsibility. Nepal does not need another cycle of

replacement without reform. It requires cooperation between generations, where institutional knowledge supports the new generation instead of blocking it.

From the perspective of Generation Z, the protests were never about destruction. They were about being seen, being counted, and being taken seriously in decisions that shape the country's future. This generation does not demand perfection from its leaders, but it does expect honesty, accountability, and governance free from corruption. The message is simple but firm: Nepal cannot keep moving forward while carrying the same unresolved burdens. Young people are no longer willing to inherit a system that demands patience without offering progress.

In the end, the Gen-Z movement represents a shift in how citizenship itself is understood in Nepal. Participation is no longer limited to ballots or party membership; it is expressed through voice, presence, and refusal to remain silent. The protests marked the point at which a generation stopped waiting for permission to care about the country's future. Gen-Z is not asking to replace Nepal's past, but to help reshape its direction. And in doing so, it has made one thing clear: Gen-Z is not waiting for Nepal's future. Gen-Z is shaping it. Gen-Z is the new Nepal.

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