

Nepal Picks Up the Pieces after Protests Topple the Government

Mass demonstrations led by disaffected young people and triggered by a government move to ban social media apps have ousted Nepal's prime minister. In this Q&A, Crisis Group expert Ashish Pradhan examines the causes of the unrest and the challenges facing the new interim government.



Ashish Pradhan

Senior Adviser to the President

What is happening?

Nepal has faced a rash of political turmoil that has claimed the scalp of Prime Minister K.P. Oli and toppled his government. Oli's resignation came after state forces killed 21 protesters during demonstrations on 8 September. Fourteen of the victims were 28 or younger – a reflection of the age cohort driving the rallies, widely referred to in Nepal as the “Gen Z protests”. The next day, a broader swathe of demonstrators defied curfews to embark on a violent rampage. Angry mobs attacked the residences of political leaders as well as party offices, setting the prime minister's office, parliament and the Supreme Court ablaze. Protesters brutally assaulted several prominent politicians, including five-time Prime Minister Sher Bahadur Deuba and his wife, Foreign Minister Arzu Rana Deuba, who has since been removed from her post.

A total of 73 people lost their lives over the course of two days of unrest, while thousands of others were wounded. The pandemonium that enveloped many of Nepal's major cities also enabled **thousands of inmates** to flee from jails across the country. A curfew imposed by the Nepali army restored a degree of calm to the streets, while a major political shake-up was under way. Tense negotiations among the president, army chief and groups representing the protesters concluded with the appointment of former Supreme Court Chief Justice Sushila Karki as interim prime minister on 12 September. Fresh elections have also been set for March 2026 after the lower chamber of parliament was dissolved.

Another outbreak of violence is nonetheless possible. The assaults on politicians, party headquarters and businesses affiliated with figures from across the mainstream political spectrum were unprecedented in scale and pace of spread, amounting to a wholesale rejection of the country's ruling establishment after years of poor governance and exploitation of state resources. Arson attacks on other ministries and government offices left many public institutions bedraggled and raised concerns about damage to critical state records. The rapid escalation of mob aggression has also raised questions about possible infiltration by political groups opposed to the mainstream parties, including supporters of the deposed former king, Gyanendra Shah. If claims that such groups steered the attacks on state institutions and public infrastructure turn out to be true, they could portend further tumult during the transitional period.

What caused the outburst of public rage?

The primary cause of the demonstrations is frustration among young Nepalis at the systemic corruption plaguing political and public institutions. Nepal ranks 107th among the 180 countries covered by Transparency International's **Global Corruption Barometer**. All three of Nepal's most recent prime ministers – **Oli**, who heads the Communist Party of Nepal (Unified Marxist-Leninist), **Pushpa Kamal Dahal**, chair of the Communist Party of Nepal (Maoist Centre), and **Deuba**, president of the Nepali Congress – have faced allegations of misuse of public funds. Prominent **corruption scandals** in recent years, embroiling **senior figures in several parties**, have further eroded public trust, fuelling **perceptions** that mainstream political parties are acting with impunity and protecting one another from accountability for their actions in government. Citizens have come to see these parties, which nominally are adversaries, as part of the same corrupt and privileged clique, an elite disconnected from the everyday concerns of regular Nepalis. Even the Maoists, who entered mainstream politics only in 2006, after a ten-year civil war, and emerged as the largest party in the 2008 elections, have seen **several major corruption accusations** levelled at **their leaders**.

Allegations of corruption are hardly new to Nepali citizens. But **a social media campaign** initiated in early September spotlighting the extravagant lifestyles of the children of several prominent leaders appears to have galvanised fury at the political class writ large. Posts on TikTok and Reddit showcased the lavish spending of these “nepokids” – many of them also part of Gen Z – on overseas trips and other big-ticket items. Hostile online responses from some of the campaign's targets, or their relatives, dismissing the suggestion that any graft was involved only made matters worse. Young protesters drew inspiration from a wave of uprisings across South Asia in recent years,

including the ones that unseated **Sri Lankan President Gotabaya Rajapaksa** in 2022 and the **Sheikh Hasina government in Bangladesh** in 2024. The present protests in **Indonesia** also served as a model for Nepali activists.

While social media enabled the allegations and insinuations of corruption to spread ... these platforms also played a more direct role in catalysing the protests.

While social media enabled the allegations and insinuations of corruption to spread far and wide, these platforms also played a more direct role in catalysing the protests. On 4 September, the Oli government aroused public ire by **banning 26 social media apps**. The decision was based on an **August ruling** by the Supreme Court directing social media platforms to register with Nepali authorities in order to allow for closer monitoring of content, prevent impersonation and root out misinformation. The ban was enforced immediately after it was announced, **as the government had previously imposed a seven-day deadline** that passed without a response from any of the platforms in question.

Cutting off social media access infuriated Nepalis, deepening the divide between the aloof political class heading an already unpopular government and the citizenry. In a country where over **56 per cent** of the population (according to the last census in 2021) is under 30, social media apps are ubiquitous: by some estimates, nearly half the country (**48.1 per cent**) uses them in one way or another. These apps have also provided rare opportunities for young Nepalis to make money, with content creators earning **\$25 million** from these platforms in fiscal year 2024-2025 alone. Jobs for young people are otherwise hard to find; every day, **over 2,000** Nepalis leave the country to seek employment abroad. The government ban thus represented a double blow, shuttering platforms where people could gather virtually to voice their opinions as well as depriving young citizens of a potential source of income.

Though the government defended the ban on judicial grounds, it was widely perceived as a brazen attempt to silence online criticism of Nepal's leaders. Whether or not the suspicions are correct in this instance, Oli has certainly tried to quash dissent and curb civil liberties before. During one of his previous terms as prime minister in 2019, **he was criticised** for attempting to criminalise social media usage, restrict press freedoms and weaken the National Human Rights Commission. While unsuccessful, his attempts to dissolve parliament in **December 2021** and again in **May 2022** left deep-seated doubts about his willingness to tolerate criticism. Even the disastrous decision to use live fire against protesters in early September was not the first time Oli's government had resorted to lethal force to quell demonstrations; at least **two incidents** earlier in the year **showcased** his administration's heavy-handedness.

How was a new government formed?

Nepal's army was deployed on 9 September to restore calm following the mob violence earlier in the day, and it imposed a nationwide curfew. Oli, several members of his cabinet and other senior political leaders were evacuated from their homes and placed under army protection after videos emerged of several leaders being assailed by angry crowds. Army chief Ashok Raj Sigdel and President Ram Chandra Paudel – whose role as head of state is largely ceremonial but does include command of the armed forces – were thrust into the spotlight as stewards of two of the state institutions that were still functioning. They embarked on three days of tense negotiations with a hastily convened constellation of young activists. While a number of individual protesters had been particularly visible and vocal on social media, the speed at which the demonstrations grew meant that the demonstrators had no clear leaders and no uniform set of formal demands.

Protesters nevertheless broadly agreed on a few core issues, including the need to dissolve parliament and appoint an interim government. Delays in reaching an immediate deal along those lines sowed frustration among Gen Z leaders. The evening of 11 September proved particularly tense, with a prominent young activist releasing a video wherein he warned that he and his supporters would storm the presidential palace if the movement's demands for an interim administration were not met. Reliable information was hard to come by at the time, as several news channels were temporarily shut down and internet service was patchy after the attacks on public infrastructure. Rumours spread that the former king Gyanendra Shah, deposed in 2008, was eyeing a return to power, adding to the urgency of discussions among the army chief, the president and the protesters.

Speculation was also rife that failure to make a breakthrough could spur the army to seize power.

Speculation was also rife that failure to make a breakthrough could spur the army to seize power. But from the outset, army chief Sigdel showed reluctance to assume greater political responsibility. Both he and President Paudel endeavoured to keep negotiations on an even keel while remaining under fierce pressure from various sides, whether from young protesters desiring rapid change or from others demanding that they stay within the bounds of the 2015 constitution. Still others were pushing them to avoid leaving a power vacuum at the heart of the Nepali state.

Finding an acceptable figure to lead an interim government posed an immediate challenge. A group of protesters claimed in an online discussion on 10 September that Sigdel had asked them to put forward a candidate. Former Chief Justice Sushila Karki, who had been seen on the streets in a show of solidarity with protesters and has a track record as a staunch opponent of corruption, quickly emerged as a potential nominee. After consulting with Karki, who expressed her willingness to assume leadership of the interim government, young activists eventually held a vote on Discord (a virtual platform used primarily for video gaming and forum discussions), in which nearly 8,000 users took part. Karki earned 50 per cent of the vote. By the end of the week, Karki, who had served

as Nepal's first female chief justice in 2016-2017, had been appointed the country's first woman prime minister.

Upon taking office, Karki immediately dissolved the lower chamber of parliament and announced that national elections would take place on 5 March 2026. But doubts about the **legality** of appointing her without a vote in the legislature have not been fully allayed. A provision in the **constitution** barring former Supreme Court justices from assuming other government positions is another concern, although **the 2013 appointment** of then Chief Justice Khil Raj Regmi as interim prime minister under a Supreme Court judgment offers a precedent.

What are the interim government's priorities, and how are political parties responding?

The government's main objective is to prepare the ground for elections. Quickly announcing a timetable that outlines deadlines for registering voters, candidates and parties, and sets the parameters for campaigning, stand high among its priorities. Averting political violence during the campaign period, when political parties and other interest groups could look to settle scores following the early September violence, will also be crucial. Some political parties may nevertheless seek to impede the electoral process through legal challenges, posing obstacles for an interim administration under pressure from protesters to hold a vote. These parties may decide that delays in the polls could erode public confidence in Karki's government, undermining the credibility of any investigation she launches and buying time for them to regain popularity.

Restoring the state's core functions will be another test for Nepal's interim rulers after the violence on 9 September damaged **government records** and **impaired** the workings of several **key ministries**, with many financial services and accounting systems still to be restored. Early estimates say the total repair bill could be as high as **\$21.2 billion**, an amount equivalent to half the country's GDP. Averting financial collapse – the state was **already facing troubling** economic headwinds prior to the protests – is sure to consume much of the interim government's attention. It has already announced **austerity measures** to help cover election costs.

Karki has made clear that she is a caretaker, meaning that she does not feel empowered to carry out far-reaching reform. But she has made investigations into the deaths and destruction during the protests an urgent priority, announcing that a commission of inquiry with a 45-day mandate will be appointed soon. Former Prime Ministers Dahal, Deuba and Oli **reportedly** oppose these probes, arguing that they might aggravate the public's animosity toward political parties. The 9 September attacks on the three branches of government have also raised hard questions about whether the arson and vandalism were truly spontaneous. Many believe that political groups including the former king's supporters piggy-backed on the demonstrations to wreak the havoc. After surveying the damage done to the prime minister's office and many ministries, Karki herself **stated** that "there has been a systematic targeting of sensitive and essential government institutions". The interim prime minister did not single out a political faction for blame, and as yet no clear link to monarchists or any other group has been established, but Karki has promised to hold the perpetrators to account. The interim prime minister has also said her government may take steps to

address the corruption that drew protesters into the streets, for instance by appointing a commission to begin a number of investigations, while noting that these efforts will need to be completed by the next, elected government.

Change could also be afoot in parts of Nepal's political system as new elections beckon.

Change could also be afoot in parts of Nepal's political system as new elections beckon. Despite resistance from mainstream political parties, calls from within these forces for new leadership are gathering strength in the protests' wake. A number of the country's front-line political figures, like **Maoist chairman Dahal**, have been urged by colleagues to resign from their party roles. Meanwhile, second-rung leaders from have stepped forward on social media in recent days in an attempt to present a more relatable image of mainstream parties to younger Nepalis.

Whether these tactics will work is hard to say. On one hand, in the protesters' minds the entire political class is lumped into a single undifferentiated bloc, and merely changing the parties' public faces may not be enough to persuade them otherwise. On the other hand, the parties are reluctant to loosen their grip on Nepali politics in deference to demands for a clean sweep. Prime Minister Karki had to turn down **a proposal** by President Paudel to appoint an all-party cabinet, opting instead for appointees with independent, apolitical backgrounds. On 13 September, eight of Nepal's main parties – including the Nepali Congress, the United Marxist-Leninists and the Maoists – **rejected** the decision to dissolve parliament as unconstitutional and questioned the constitutional basis of Karki's appointment. Their opposition could set the stage for legal proceedings to halt the government's electoral plans.

Despite these parties' sway, younger, independent candidates could still find a way to establish themselves in the next elections. The popularity and recent electoral successes of independent leaders like Kathmandu mayor and ex-rapper Balen Shah, former education minister Sumana Shrestha and Dharan mayor Harka Sampang could see them thrust into higher posts following fresh polls. While none of them belong to Gen Z (all three are millennials and between the ages of 30 and 44), they are extremely popular among young Nepalis and have cast themselves as scourges of the establishment to varying degrees. What they lack in nationwide physical presence and rank-and-file cadres they make up for in national recognition and clean – though short – track records in public service.

What tensions are likely to emerge in the months ahead, and what role should Nepal's foreign partners play?

The breakneck pace of events in early September means that the 2026 elections will have huge stakes and bring with them the threat of political violence. Hopes are running high among many

Nepalis, who will expect the polls to mark the start of a new political era. The country's young people now find themselves in the vanguard and enjoy the backing of much of the public. Different groups of young activists have already floated roadmaps and priorities for the interim administration and the next government, including more cabinet posts for members of under-represented groups, invitations to international election observers to ensure that polls are free and fair, and the formation of commissions to investigate the violence during the protests and to probe corruption and misuse of state funds.

It is not yet clear whether the young Nepali protesters will follow the example of their Bangladeshi peers and plunge into the political maelstrom, though discussions about forming a new party led by **Kathmandu's mayor Shah** have been reported. For now, they have largely restricted themselves to collating their demands on online platforms and presenting them to government officials. Irrespective of whether they enter politics directly or as a force to mobilise on behalf of other political groups and figures, these young activists will face pressure from their supporters to deliver quick, visible wins, including through new appointments to the cabinet and the fast-tracking of investigations. Leaders of the movement will have to coordinate with the interim government to achieve these goals, but they may well have their work cut out for them urging supporters to avoid incendiary rhetoric and refrain from issuing unrealistic ultimatums if progress is slow.

After facing public vilification, mainstream political parties for their part may well seek to appoint new leaders from within their ranks. But the credibility of these parties is now threadbare. Restoring it will depend on showing readiness to address at least some of the protesters' demands and scotching suggestions that these parties may oppose efforts to investigate the early September violence or probe systemic corruption. Any measure taken to discipline officials found responsible for the use of **lethal force** against protesters, whether disqualification from the 2026 polls or criminal prosecution, should be respected by the parties, even though Oli has denied that his government issued any such order. At the very least, these parties should call on their supporters to avoid violence during the electoral period.

For monarchist forces, the political crisis is seemingly a moment of opportunity in their struggle to topple the republic. These groups – which include the Rastriya Prajatantra Party, the fifth largest vote getter in the last parliamentary elections – are attempting to reinstate the regime led by Gyanendra Shah, the last regent of the 240-year-old monarchy that was abolished in 2008. Two decades on, Shah has restored some of his support base and found common cause with religious elements – both in Nepal and in neighbouring **India** – that want to rescind secular provisions in Nepal's 2015 constitution and restore the country's past status as the only official Hindu state in the world. Clashes between Shah's supporters and police left two dead during **a pro-monarchy rally in March**, feeding allegations that his backers were attempting to foment disorder to discredit political parties. Some factions within the youth protest movement are also reportedly in favour of the monarchy's return.

Restoration of the monarchy is a cause that has gained traction in recent years as the mainstream parties' rapid rotation in power – Nepal has had fourteen governments in the seventeen years since the establishment of a secular republic – and poor results have sapped public trust in political

leaders. But Shah's autocratic tendencies are well known, having been on display in 2005 when he carried out a coup in which he sacked the government and assumed unilateral power. Senior mainstream leaders have blamed his supporters for attempting to reintroduce a “[tyrannical](#)” regime, and calls to arms on both sides may grow louder if the former king's campaign gathers steam. State forces will need be on high alert in the coming months to manage peacefully any rallies where pro- and anti-monarchist forces could come into proximity.

For foreign observers, a main risk at present seems to be that of simplifying Nepal's internal tumult. Some Indian media outlets have portrayed the events in geopolitical terms – “[U.S. vs. China playing out?](#)”, one headline read. Such caricatures are unhelpful. Instead, Nepal's foreign partners should approach the Karki-led administration in listening mode and seek to help it get through the aftermath of the violent unrest. Protesters' proposals for international election observation missions to ensure that the coming polls are credible could provide an avenue for foreign assistance. The interim finance minister has announced that the government will finance the elections [domestically](#), but technical support for the Election Commission might help authorities stick to electoral timelines. Past election cycles have benefited from technical support and capacity building from multilateral donors like the [UN Development Programme](#), while India and China have provided equipment. Short-term assistance could also help restore core state functions, while in the long term, foreign partners could offer technical advice for initiatives to address systemic corruption.

Arriving after an eruption of public fury, and with very little notice, Nepal's transitional period will now be judged on whether the interim government can safely steer the country toward a pivotal election. Avoiding delays, investigating the September unrest and holding a fair, credible contest will be critical for preventing more violence and giving the next government a solid foundation from which it can address the aspirations of young protesters for meaningful reforms, clean government and decent economic prospects.

Related Tags