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Why Nepal’s Gen Z keeps leaving

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Weak career prospects push young Nepalis abroad. Family networks and the value of keeping options open help explain why the departures continue.

Nepal’s young people face an awkward bargain. Their country needs their skills; their households need an income. When those demands point in different directions, a passport can become a practical compromise. Leaving is then less a verdict on national identity than a decision about where effort might earn a better return.

That is a more useful starting point than asking why an entire generation abandoned Nepal. It has not. Young Nepalis study, work, care for relatives and build businesses at home. Others

leave for a few years, return, or move again. “Gen Z” is a convenient label, not an explanation. The important question is why departure can look more credible than a career at home.

The answer involves more than a wage gap. Migration offers access to a different labour market, an education, a professional network and sometimes the possibility of settling elsewhere. Those possibilities have value even before they produce income. Against them stands a domestic future whose rewards may be harder to predict. A country can inspire affection and still lose the comparison.

A job is not yet a career

The World Bank’s 2025 assessment of Nepal’s growth identifies a shortage of quality jobs outside agriculture, low productivity and barriers to exports. This is a broader problem than unemployment. Having something to do does not necessarily mean having a livelihood that rewards skills or improves with experience.

For someone at the start of working life, the relevant comparison extends beyond next month’s pay. Does the first job teach anything? Can a better employer hire them later? Does experience bring bargaining power? An initially modest wage can be tolerable if it buys a credible route upwards. It becomes harder to accept when the route seems to end where it began.

This distinction matters for policy. A temporary placement can improve a jobs announcement without changing a graduate’s calculation. Training can supply another certificate without creating demand for its holder. Neither is worthless. But counting placements and certificates tells us little about whether a young worker can build a career.

The economic diagnosis also complicates the habit of blaming individual ambition. Better domestic pay requires firms that can produce and sell more valuable goods and services. Asking workers to accept less cannot substitute indefinitely for making businesses more productive. Patriotism is a poor wage subsidy.

The family makes the border closer

A study published in 2026 by Pradip Raj Tiwari and Govinda Prasad Dhungana offers a useful window into the decision. Drawing on 770 student responses from 32 campuses across seven universities, it found that 61.6% aspired to migrate. The researchers collected the data in July–December 2023. The finding measures intentions among the sampled students, not departures by Nepal’s entire younger generation.

Having a migrant in the household was associated with stronger migration aspirations. Lower student satisfaction was another factor. These are associations, not proof that a particular relative or disappointing class caused someone to leave. They nevertheless

challenge an explanation based entirely on wages.

A family connection can make an unfamiliar country easier to imagine. Information about accommodation, employers or daily routines may turn a remote possibility into a plan. That is the economic logic of a network: the next person need not discover everything from scratch. The connection can help without making the destination safe or the outcome certain.

It also changes the comparison. Staying requires judging opportunities that exist locally. Leaving can be assessed against a relative’s experience. A government’s promise of future jobs competes with evidence from someone the household already knows. The evidence may be incomplete, but the messenger has an advantage.

An education in keeping options open

The same student study distinguishes aspirations for further study from aspirations for work. It finds different patterns across campus location, residence and social background. Treating all departures as one story therefore obscures both purpose and inequality.

The analytical implication is that an overseas degree can be valued as a bundle. It may offer specialised learning, contacts and exposure to another labour market. Whether any particular course delivers those benefits is a separate question. An expensive

qualification with weak employment prospects can destroy the very security it was supposed to buy.

Nor does an intention to study reveal a secret intention to settle permanently. Plans change. A student may expect to return and later find a compelling reason to remain abroad; another may discover that the costs exceed the rewards. Counting an application as a permanent loss would turn an uncertain journey into a misleading statistic.

Improving education at home could reduce dissatisfaction, yet need not immediately reduce mobility. Better skills can also make a person more able to compete internationally. That is a difficult trade-off for a government seeking quick results: successful education policy may expand young people’s choices before domestic employers become strong enough to keep them.

The exit has a price

None of this makes migration an easy bargain. A national recruitment-cost survey described by the International Labour Organization in July 2026, based on 2023 evidence, found that nearly two-thirds of migrant workers incurred recruitment-related costs. Average costs were equivalent to 3.3 months of destination-country earnings; women faced a burden of roughly four and a half months.

That comparison is a measure of cost relative to earnings, not a promise that debts disappear within that period. Workers also have living expenses, family obligations and potentially interest to pay. The survey concerns migrant workers, not all overseas students or Gen Z specifically. Its warning is nonetheless relevant: gaining access to a foreign wage can require taking a substantial financial risk first.

A fair comparison must therefore consider what remains after recruitment, housing and other costs, as well as the consequences if the job fails. The overseas salary alone is the wrong number. So is a photograph of an apparently successful life abroad.

Risk does not make every departure irrational. It means the decision depends on alternatives, information and the household’s capacity to absorb a bad outcome. Someone with savings and dependable contacts can take a chance that would expose another family to severe hardship. “Young people want to leave” is too blunt a description of such unequal choices.

A successful escape route can become an economic habit

Nepal’s central bank reports workers’ remittances at 35.8% of GDP in fiscal 2025/26. This is a comparison with the size of the economy, not a claim that remittances are domestic production. It does not identify the share sent by Gen Z. It does show why

departure cannot be discussed merely as a national loss: earnings abroad support the economy at home.

The uncomfortable inference is that a useful household solution can coexist with an inadequate national one. Families obtain income without waiting for domestic transformation. The money helps sustain demand. But its arrival does not itself prove that Nepal is creating employers able to compete for the next cohort of workers.

It would be a mistake to blame families for using remittances on ordinary needs. Paying for food, education or care is not an economic failure. The policy question is whether a household that wishes to invest in a business can find a credible opportunity. Moral instructions about spending cannot manufacture one.

The World Bank’s reform proposals pair domestic growth with safer, less costly migration and support for returnees. That combination is more sensible than treating departure and development as opposites. Protecting workers abroad and improving opportunity at home are complementary duties.

Make staying a competitive offer

Nepal Digest’s earlier coverage examined whether political change can give young people reasons to stay. The migration decision suggests a practical test for that ambition: can a young person see a plausible next step at home?

Universities could publish credible graduate outcomes rather than rely on enrolment claims. Employers could offer paid routes into skilled work and clearer progression. Governments could measure whether firms expand, whether entry-level earnings improve and whether opportunities reach beyond well-connected households. These are proposals for judging results, not claims that any single programme has already succeeded.

The strongest objection is that people will leave even if Nepal improves. That is correct. Specialised study, relationships, curiosity and international careers will remain legitimate reasons to move. Falling departures alone would be a poor measure of success: they could also reflect closed borders or families unable to afford the journey.

The better measure is whether mobility becomes a choice with manageable risks, and whether staying offers a future that can withstand comparison. Young Nepalis should be able to love their country without having to discount their own prospects. Nepal does not need to win an argument against the passport. It needs to make a better offer.

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