

Marx's Capital and Its Relevance to Today

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Abstract

Das Kapital, Karl Marx's classic, is an insightful analysis of how capitalism operates, exposing its exploitative nature and its internal contradictions. This paper explores key theses in Capital, including the concepts of surplus value, capital accumulation, and the alienation of labor, and evaluates their implications in the modern economic and social context. Through dialectical and historical analysis, the paper clarifies how Marx's thought retains its explanatory value for today's problems of globalization, economic inequality, and environmental crises. The results underscore that, despite the changing economic landscape, the core contradictions of capitalism that Marx pointed out persisted, requiring revolutionary solutions towards a more just society.

Keywords: Capital, capitalism, surplus value, economic inequality, globalization.

O CAPITAL DE MARX E SUA RELEVÂNCIA PARA A ATUALIDADE

Resumo

O Capital, o clássico de Karl Marx, é uma análise perspicaz de como o capitalismo opera, expondo sua natureza exploradora e suas contradições internas. Este artigo explora as principais teses de O Capital, incluindo os conceitos de mais-valia, acumulação de capital e alienação do trabalho, e avalia suas implicações no contexto econômico e social moderno. Por meio de análises dialéticas e históricas, o artigo esclarece como o pensamento de Marx mantém seu valor explicativo para os problemas atuais de globalização, desigualdade econômica e crises ambientais. Os resultados ressaltam que, apesar da mudança no cenário econômico, as contradições centrais do capitalismo apontadas por Marx persistiram, exigindo soluções revolucionárias para uma sociedade mais justa.

Palavras-chave: Capital, capitalismo, mais-valia, desigualdade econômica, globalização.

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1. Introduction

Karl Marx's great work 'Capital' is both an analysis of the economy and deep criticism of its capitalism (Marx, K., 2018). In the first volume of Capital published in 1867, he attempted to explain how capitalism works, detailing the cycles of labor exploitation and the inherent contradictions that eventually lead to crisis. Marx did not confine himself to describing the republic's economy which is a goal by providing theoretical frameworks, however (Howard, M. E., Howard, M. C., & King, J. E., 1988). These frameworks detail a world without social classes, and where liberating labor is free from the shackles of alienation and injustice. The modern world still struggles with social, economic, and environmental issues. Even after 150 years, the ideas within Capital provide reasoning to these problems.

A revival of Capital is all the more pressing in light of globalization, deepening economic disparity, and worsening environmental catastrophes (Bello, W., 2006). The extremes of wealth concentration among a few, precarious employment, and resource depletion seem to validate Marx's forecast of capitalism's contradictions (Obregon, C., 2021). This work employs dialectical and historical approaches to analyse not only Marx's theory but also globalization, the deepening inequality, and environmental crises. The core question of the paper is: How do the ideas in Capital help us understand and solve today's economic and social problems? In response, the paper will explore how Marx's concepts, from surplus value to alienation, still reflect the essence of modern capitalism, while also proposing directions for building a more just society. The next section will present the rationale, then analyze the main arguments and their meanings in detail.

2. Theoretical foundation

Marxism, with its foundations of dialectical materialism and historical materialism, provides a unique lens through which to analyze capitalism (Chapman, A. D., 2023). In Capital, Marx saw the capitalist economy not just as a system of commodity exchange but as a network of social relations where labor was exploited to generate profits for the bourgeoisie (Chatterjee, I., & Ahmed, W., 2019). Core concepts such as surplus value, capitalist accumulation, and labor alienation not only explain how capitalism works, but also predict its inevitable crises. Marx's dialectical method emphasizes that all economic phenomena contain internal contradictions, leading to constant development and transformation. For example, the conflict between labor and capital creates surplus value, but also leads to inequality and economic crises. The historical method, which allows for the consideration of capitalism as a temporary stage in the

process of social development, will be replaced by a classless system. These principles are the foundation for analyzing Capital and relating it to today's world.

Today's context, with the rise of globalization, automation technology, and economic inequality, shows that capitalism has evolved far beyond Marx's time, but core contradictions still exist. The concentration of wealth, unstable labor, and the environmental crisis are new manifestations of the problems that Marx predicted. The next section will analyze the main arguments in Capital in detail to clarify their meaning.

3. The primary concepts of Marx's Capital

3.1. Surplus value: The core of exploitation

Surplus value is the essential term in Capital with which Marx explains the profit accumulation by the bourgeoisie through exploitation of labor (Samuelson, P. A., 1971). According to Marx, a commodity's worth is determined by a certain socially necessary labor time to produce it. However, in a capitalist society, workers do not receive the entirety of the value they generate. Instead, they receive wages according to the value needed to sustain them, which is significantly lower than the price of the product. The remaining amount, called surplus value, is appropriated by the bourgeoisie. This mechanism works through a production process. A worker can be hired aggregate eight hours per day, and their output, by definition, meets or exceeds the wage payment cap. As a simple illustration, in the first four hours, as a worker produces value equal to his salary, in the next four hours, value is produced for the capitalist. This form of exploitation is not individual but structural, and it is based on systemic relations within capitalistic modes of production. To maximize surplus value, capital strives to increase productive working hours or increase productivity through machines which often results in harsh conditions for workers (Sevcenko, V., Wu, L., Kacperczyk, A., & Ethiraj, S., 2022).

Surplus value not only accounts for the wealth of bourgeois society but also explains the principal problem of capitalism, slavery and conflict of wage labor and capital. In attempting to enhance profits, capital tend to cut down on wages and increase inequality. In addition to this, increasing productivity can also lower the demand for labor which generates unemployment and idleness, resulting in civil disorder. These are the issues which form the basis for connecting Capital with modern economic phenomena which will be discussed later.

3.2. Capital Accumulation: Concentration and Inequality

Surplus value which is capitalized in order to enlarge production as well as to amass wealth and economic power intensifies concentration of wealth and economic dominion. In Marx's

view, a capital is always attempting to enlarge the market capture by ever-increasing the production (Amin, S., 2018). This results in expenditure on appropriate level of machinery, technology, and even labor which also increases class disparity. In the initial phases of capitalism, capital accumulation occurred via the appropriation of land and resources, frequently through violent means. This is known as “primitive accumulation” within the Marxist framework (Gonçalves, G. L., & Costa, S., 2020). During this stage, peasants were dispossessed of their land and turned into wage laborers. After the initial phase is achieved, capital accumulation changes into competition among markets. Larger firms absorb smaller ones, resulting in monopolies. This shift not only enhanced the economic might of the bourgeoisie, but also eroded the conditions of the working class who had limited access to employment and faced deteriorating conditions.

Capital accumulation leads to recurrence of some form of an economic crisis. With too much investment into production, capitalists can overproduce to the point of creating a surplus of goods that far outstrips consumption, which pushes them into recession. The working class bears the brunt of these crises as they face unemployment and poverty, deepening the institutionalized inequalities. Concentration of wealth, according to Marx, would make it easier for the proletariat to unite against the system, which provided a great insight into social movements and remains powerful to this day (Barker, C., 2013).

3.3. Alienation of labor

Alienation is one of the most humane aspects of Capital, reflecting the impact of capitalism on human life (Burkitt, I., 2024). Marx argued that, in a capitalist economy, labor is no longer a creative activity but a means of survival. Workers are detached from the product of their labor, the labor process, human nature, and the surrounding community, leading to a deep state of alienation.

First of all, workers do not own the products they create, but the products belong to the capitalists. A worker in a garment factory has no control over the final product, even though they have sweated to produce it. Second, the labor process becomes repetitive and meaningless, when workers only perform a small part of the production line, not seeing the full meaning of work. Third, labor is detached from the creative nature of humans, when workers have to work to survive rather than to express themselves. Eventually, they are separated from the community, as individual competition replaces the spirit of cooperation. Alienation not only affects the individual but also strengthens the class structure. By turning labor into a mechanical

activity, capitalism prevents workers from realizing their collective power, undermining revolutionary potential. However, Marx believed that alienation can also arouse a sense of resistance, when workers realize they are deprived of human value.

4. Relate Marx's Capital to the present day

4.1. Globalization and surplus value

Karl Marx's concept of surplus value, which is at the core of the analysis of labor exploitation in capital, retains its explanatory power in the context of the globalization of the 21st century (Reich, K., 2018). In the global economy, multinational corporations maximize profits by exploiting cheap labor in developing countries, replicating the exploitation mechanism that Marx described (Parthasarathy, B., 1994). For example, workers in garment factories in Southeast Asia or industrial parks in Africa often work for a wage that is barely enough to sustain a minimum of living, while the actual value of the products they produce far exceeds the cost of labor. This disparity, similar to surplus value, flows into the pockets of corporations and shareholders in developed countries, reinforcing economic inequality on a global scale.

Globalization makes it easier for capital to move labor around, allowing companies to move factories to the lowest-cost areas, undermining workers' bargaining power. For example, when big tech companies like Apple manufacture components in China or Vietnam, they take advantage of harsh working conditions to reduce costs, while huge profits are accumulated at headquarters in the United States. This exploitation is not limited to manufacturing but also spreads to service industries, such as labor in the gig economy, where drivers or delivery workers work with precarious incomes. These phenomena reflect the fundamental contradiction between labor and capital that Marx pointed out, as capital constantly seeks to increase surplus value despite social costs.

However, globalization also opens up opportunities for working-class solidarity, as Marx once predicted (Silver, B., 2013). Transnational worker movements, such as strikes in the global supply chains of the garment or electronics industries, show that workers are becoming aware of their collective exploitation. Social media and information technology help spread information about poor working conditions, promoting cooperation between workers in different countries. To address the inequalities caused by surplus value, international policies that protect labor rights are needed, such as raising the global minimum wage or restricting the freedom of movement of capital. These ideas are rooted in Marx's analysis, which asserts that the unity of the working class is the key to resisting exploitation in today's globalized economy.

4.2. Economic inequality and capital accumulation

As elucidated by Marx in *Capital*, capital accumulation refers to the process in which surplus value is reinvested in order to expand production, leading to the increased concentration of wealth and economic power. This is happening at an unprecedented pace in the 21st century and continues to shape the global economy towards deepening inequality. Amazon, Google, and others not only dominate the market, but also purchase smaller markets and create modern monopolies, precisely as Marx anticipated. This deepening concentration of wealth exacerbates the gap between the extremely rich and poor, reigning billionaires commanding most of the resources, while the working class suffer low wages and soaring living standards and virtually no upward mobility.

Global disparity cuts across nations as deep economic inequality and can be understood in terms of contemporary “primitive accumulation”. Developed nations persist in amassing wealth by drawing up the resources and labor from poorer nations. For instance, mining corporations in Africa tend to impoverish locals and destroy the environment, while wealth continues to pour into prosperous countries. In the same manner, free trade agreements enable Western capital to dominate weaker economies and impoverished nations become reliant on foreign investments. These phenomena demonstrate that capital is perpetually deepening exploitation and consolidating economic control of the bourgeoisie throughout the world.

Marx identified that capital accumulation results in periodic economic crises. Global recessions, including the financial crisis in 2008 and the fluctuations during the COVID-19 pandemic, stem from excessive investment in production and financial infrastructure, resulting in the creation of economic bubbles and goods surplus. During these periods, the working class endured the dire consequences of chronic unemployment, poverty, and homelessness, while capital almost always benefited from governmental aid. These crises deepened economic inequality, but also sparked protest movements, from activists agitating against economic injustice in the U.S. and Europe to the electoral rise of socialist parties in numerous countries. These movements demonstrated, as Marx foresaw, the ability of the working class to contest the hegemony of capital. There is a need to erase inequality through policies aimed to redistribute assets with the implementation of progressive taxation or nationalization of key industries, these are rooted in the ideology of Capital and remain significant in efforts toward achieving a just society today.

4.3. Alienation and social crisis

The alienation of labor, one of Marx's most humanistic analyses in *Capital*, remains a prominent reality in the modern world, especially in the context of labor instability and increasing social crisis (Dahms, H. F., 2005). Marx argued that in capitalism, labor ceases to be a creative activity but becomes a means of survival, detaching workers from the product, the labor process, human nature, and the community. Today, this phenomenon is evident in the gig economy, where delivery workers, tech drivers, or short-term contract workers work on precarious incomes, have no long-term benefits, and do not see the meaning of work. They are separated from the labor product as just a small link in the supply chain, with no control over the final result.

Alienation is not limited to physical labor but also spreads to the creative and intellectual industries. Employees in the tech or media industries often overwork to meet market pressures, leading to burnout and disconnection from themselves. For example, designers or programmers have to run short-term projects, with no time for real creativity, making work a meaningless series of tasks. This alienation contributes to social crises, such as increased mental stress, depression, and a loss of trust in the system. Many young people feel that work does not provide value, reflecting the state of disconnection with human nature that Marx described. However, alienation is also the seed for resistance, as Marx predicted. Movements for labor rights, such as demands for an increase in the minimum wage, social insurance, or a reduction in working hours, show that workers are seeking to overcome alienation to reclaim human value. For example, tech driver strikes in many countries or the anti-overtime movement in Japan are manifestations of a sense of resistance against exploitation and alienation. These movements not only demanded the improvement of working conditions but also questioned the nature of capitalism, in line with the revolutionary spirit that Marx emphasized. To address corruption, it is necessary to build labor models that encourage creativity and cooperation, such as labor cooperatives or policies to reduce working hours while ensuring income. These ideas, although not directly mentioned by Marx, are still rooted in his ideas about the liberation of labor from the exploitation of capital.

5. Challenges and Prospects in the Application of Marxist Thought

5.1. Challenges from globalization

Globalization creates significant challenges when applying Karl Marx's ideas in *Capital* to today's world. One of the biggest obstacles is the complexity of labor relations in the global economy. Multinational corporations easily shift production to countries with low labor costs,

undermining the bargaining power of workers in both rich and poor countries. For example, when a company closes a factory in Europe to open a facility in Asia, workers in both regions lose the opportunity to demand better working conditions, leading to competition between them instead of solidarity. This is in contrast to Marx's call for proletarian unity, when global workers are divided by geographical, cultural, and economic barriers.

Moreover, globalization consolidates the power of capital through free trade agreements and international financial institutions, which prioritize the interests of corporations over labor rights. These mechanisms create an environment in which capital can move freely, while workers are bound by national borders and weak labor laws. This imbalance reduced the ability to organize large-scale revolutionary movements, as Marx envisioned. In addition, the development of automation technology further complicates the problem, as machines replace human labor, reducing the number of workers needed for production. This raises the question of whether the proletariat is still strong enough to overthrow capital, when the labour force is dispersed and weakened.

However, this challenge is not insurmountable. Marx emphasized that the internal contradictions of capital would facilitate resistance, and that globalization would also provide opportunities for workers to connect across borders. Tools such as social media can help spread information about labor injustice, promote empathy and international cooperation. To overcome the challenges of globalization, it is necessary to build global labor unions, which require international policies that protect workers' rights, such as minimum wage regulations or safe working conditions. These ideas are rooted in Marx's idea of class solidarity, which is still urgent to deal with globalized capitalism.

5.2. Revolutionary capabilities in the digital age

Despite the challenges, Marxist thought in Capital still opens up prospects for revolutionary movements in the digital age. Information technology and social networks have changed the way the working class organizes and struggles, providing an opportunity to realize Marx's call for solidarity. Online platforms allow workers to share their experiences of poor working conditions, from factories in Southeast Asia to distribution centers in the West. For example, strikes by tech drivers or warehouse workers in many countries are coordinated through social networks, showing the possibility of cross-country linkage that Marx once envisioned.

The digital age also highlights the contradiction between labor and capital, as Marx analyzed. Big tech companies make huge profits from users' data and labor, while giving back little value

to the community. This inequality has sparked protest movements, from demands for improved working conditions to demands for control of personal data. Movements such as Black Lives Matter or Fridays for Future, although not directly socialist, still reflect a spirit of solidarity against injustice, in line with Marx's idea of the collective power of the oppressed class. To make this prospect a reality, however, movements need to overcome cultural, political, and national interest divisions. Digital technology, however powerful, can also be used by capital for surveillance and repression, such as companies tracking trade union activity online. Therefore, the working class needs to develop safe digitalization strategies, combined with on-the-ground organization, to build a sustainable revolutionary movement. Marx believed that the capitalist contradiction would lead to the awakening of the proletariat, and that the digital age gave the tools to realize this, if used properly. The application of Marxist thought today requires creativity to adapt to the new context, but still maintains the goal of eliminating class inequality.

5.3. Limitations of Capital

Capital is a revolutionary work, but it is not without limitations when applied to the modern context. Marx focused on the analysis of 19th-century industrial capitalism, with a focus on factory production and traditional labor relations. However, today's economy has shifted to sectors such as technology, finance, and services, where new forms of exploitation emerge that Marx did not fully anticipate. For example, the exploitation of personal data by tech companies or workers in the gig economy does not quite fit with Marx's factory model, requiring theoretical adjustments to explain these phenomena. Moreover, Marx made little mention of today's prominent issues such as the environmental crisis or gender inequality. Modern capitalism not only exploits labor but also destroys natural resources, creating issues such as climate change that Marx did not consider in depth. Similarly, the role of women or minorities in the class struggle has not been fully analyzed in Capital, making his thought need to be supplemented by modern views of intersectionality. Marx's prediction of the inevitable collapse of capital has not yet fully materialized, as capital adapts through social reform, technology, and globalization. However, these restrictions do not reduce the value of Capital. The contradictions that Marx pointed out, such as the conflict between labor and capital or economic inequality, still exist in new forms. To overcome this limitation, activists need to be creative in applying Marxist thought, combined with environmental, gender, and technological analyses. For example, environmental movements can learn from Marx to link ecological

struggle with class struggle, recognizing that capital is the common cause of both labor exploitation and the destruction of nature. Marx's thought remains a powerful source of inspiration, but it needs to be expanded to meet the complex challenges of the 21st century.

6. Conclusion

Karl Marx's *Capital* is a timeless work that provides a keen lens for understanding the exploitative and unequal nature of capitalism. Concepts such as surplus value, capital accumulation, and labor alienation still reflect modern economic and social realities, from global inequality to labor instability and environmental crises. Although the context has changed with globalization and digital technology, the core contradictions that Marx pointed out continue to exist, manifested in the concentration of wealth and the decline in the quality of life of the working class. Marxist thought is not only an explanation of contemporary issues, but also a call to action, promoting solidarity to build a more just society. To realize this, it is necessary to overcome challenges such as labor differentiation and adapt Marxist thought to new issues such as the environment and gender. *Capital* remains a source of inspiration, towards a world where labor is liberated and equality becomes a reality.

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