
New Forms of Exploitations in Neoliberal Capitalism: A Marxist Analysis

Deepak Pun Magar

ORCID: <https://orcid.org/0009-0006-5676-823X>

Central Department of Sociology, Tribhuvan University, Nepal

Corresponding Email: dpunmagar49@gmail.com

Abstract: This paper argues that there are new forms of exploitations in neoliberal capitalism from Marxist lens. It promotes the concepts the labor flexibility, market efficiency, and individual autonomy. This study employs the qualitative methodology based on the secondary sources, including academic literatures, classical and contemporary Marxist scholarship, policy documents, and empirical studies addressing labor, finance, and digital economies with the applies of Marxist political economy as well as analytical framework to identify and synthesize recurring patterns, tensions, and contradictions within existing literature. The exploitations under neoliberal capitalism is no longer confined to conventional wage labor but increasingly operates through precarious employment arrangements, financial indebtedness, platform-mediated work, and unpaid reproductive activities. The aspects of neoliberalism in obscuring exploitative structures by portraying systematic inequalities as outcomes of individual choices and responsibilities. With the engaging with ongoing Marxist debates, the paper enhances understanding of the transformation of exploitation in the neoliberal era and reaffirms the significance of Marxist analysis for examining contemporary capitalist developments and their social consequences.

Keywords: Neo-liberal capitalism, Marxist political economy, Digitalization, Exploitation.

1. Introduction

The analysis carried out by Karl Marx on capitalist production identifies exploitation as main challenge stating that surplus value extracted from workers amounts to profit. In a capitalist system this has resulted in structural inequalities which as only aggravated in the 20th century with the introduction of neoliberalism extending to other relations such as digital and financial sector. The problem this study attempts to shed light on the interconnected dimension of all these forms of exploitation from job insecurity and falling wages to digital labor using Marxist theory in neoliberal capitalist system. The study hopes to reveal the forms of exploitation under neoliberalism and how Marxist theory applies to analyzing this relationship especially in the context of Global South.

Neoliberal capitalism has reshaped everyday life in ways that go far beyond markets and economic policy. “The rise of neoliberalism that began in the 1970s was first and foremost a consequence of deep, even ‘revolutionary’ changes in the world economy”, (Altvater, 2009, p. 73). In contemporary situations, Maritonis (2019), the

ideas of deregulation, privatization and competition have been presented as common sense solutions to economic stagnation and state inefficiency. As per the Marxism, such experiences are not accidental outcomes of policy failure but expressions of a deeper and more enduring logic of capitalism and as one centered on exploitation. While the language of freedom and choice dominates neoliberal discourse, the lived reality for large sections of the working population reveals new and intensified forms of dependence on capital.

Marxist ideology shows that the continuous profit-oriented expansion of capitalism is destroying nature, eroding workers' rights, and undermining social justice (Magar, 2026). Today, however, exploitation has moved well beyond the factory floor. Neoliberal capitalism has normalized insecure and flexible work arrangements, including temporary contracts, informal labor, and platform-based employment. "Employment insecurity is driven by employers increasingly choosing cost-cutting, flexible work models, such as the gig economy and short-term contracts", (Damarhan, 2015, p. 1661).

This objective of this study will be to explore and identify the many forms of exploitation under a neoliberal capitalist mode of production using the lens of Marxist analysis. The author will examine the processes of exploitation and inequalities in contemporary society of global south countries in such areas as labor market, social reproduction, financialization, digital labor etc. The central research questions of this study deals with the influence of neoliberal capitalism such as financialization and digitalization have on exploitation particularly in Global South countries.

2. Methodology

This study uses a qualitative research design to carry out analysis and interpretation of existing scholarly knowledge on Marxist evaluation of contemporary neoliberal capitalism. This does not yield primary data but relies entirely on previous published peer-reviewed journal articles, books, academic reports, and publications. The research seeks to conduct theoretical discussions to assess the conceptual growth of exploitation and inequality under new market forces of neoliberal economic system. Labor exploitation, inequality, digital gap, financialization were some of the key concepts explored through a Marxist analytical framework. These research sources have been sampled and selected from international academic repositories such as JSTOR, Scopus, Sage Journals etc. dating from 1990 to 2025 and based on their relation and relevance to the research on Marxism scholarship and contemporary neoliberal capitalism. The data so collected and major arguments and empirical conclusion were thoroughly analyzed through thematic and qualitative analysis. The research didn't employ any human participants but draw on secondary sources following ethical standards and proper citation.

3. Review of Literature

Marxist discussions of exploitation begin with Karl Marx (1867)'s foundational insight that exploitation is not a moral anomaly but a normal and necessary feature of capitalist production. In *Capital*, Marx explains how surplus value is generated through the gap between the value workers create and the wages they receive. "Capital is increased by surplus value", (Reich, 2018, p. 32). The idea of exploitation is embedded in social relations rather than in individual choices.

According to Harvey (2005), financial instruments like deregulation, privatization, digitization etc. have further reinforced oligarchy in as accumulation by dispossession. Exploitation is central which is defined as the surplus value extracted from wage labor and the profit direct difference between the value of labor and labor wage (1967). In a neoliberalism, such exploitation has further extended into financial and digital system which are much more coercive and hidden and unpaid labor.

Neoliberalism do not eliminate exploitation and introduce it in less visible and more individualized (Brodie, 2007, p. 93). The scholar emphasizes and consistently highlights how neoliberal ideology masks these dynamics by framing market outcomes as natural and inevitable. According to O'Connor (2010), to understand neoliberalism means constructing a theory of capitalist change. Exploitation under neoliberalism often operates through insecurity itself, as workers are compelled to accept low wages, irregular hours, and poor conditions due to the constant threat of unemployment (Williams, 2012, p. 2). As well as, Brown (2015) argues that in the competitive market under neoliberalism has seen reduction in wages and more labor hours as well as transfer of risk from private to public while normalizing insecurity and alienation as a result of personal failure and effort.

Clarke (2005) explains that the exploitation under neoliberalism also operates in less visible but equally powerful ways through debt, finance, and social reproduction. Students burdened by loans, households trapped in cycles of credit, and community's dependent on remittances all participate in economic relationships that extract value without appearing as traditional labor exploitation (Magar, 2026). Unpaid and underpaid forms of care work often performed by women sustain the workforce while remaining largely unrecognized by markets. "They fail to disaggregate household roles and responsibilities, or to recognize care responsibilities outside the paid economy", (Thorpe, 2016, p. 7).

Beyond the workplace, Marxist and feminist scholars have drawn attention to how neoliberal capitalism expands exploitation into the sphere of social reproduction (Katz, 2017, p. 1). Care work, domestic labor, and emotional labor much of it unpaid or under paid have become increasingly central to capitalist accumulation (Shao, 2025, p. 554). Exploitation refers to the difference in value between what workers produce and what workers are paid (Baglioni E. et. al., 2022, p. 3). Scholars argue that this process does not merely supplement exploitation in the workplace but

actively sustains it by ensuring the daily and generational reproduction of labor power.

Those who reported job loss generally meant either a demotion from a better paying job to a worse one, the ending of a contract, or the job loss of one of the house-hold (Karacimen, 2013, p. 194). Through credit cards, housing loans, microfinance, and student debt, individuals are increasingly locked into financial relationships that transfer income upward through interest and fees (James, 2014, p. 17). Such exploitations complement productive exploitation rather than replacing it, reinforcing class inequality through new institutional forms.

Another new trend of financial dominance has been prevalent in the society. As Lapavits (2013) sates that financial instruments such as debit, credit cards and loans, mortgages and student loans are new exploitative forms of capitalism turning laborers into customers and financial subjects. Digital platforms have used data manipulation, networking and digital monopolization allows further control of workers and laborers (Srnicsek, 2017). According to Cini (2023), algorithm induced digital tools have further exacerbated capitalist exploitation through unpaid work, data extraction and atomized workforce.

Recent Marxist scholarship has also explored how digital technologies and platform capitalism reshape exploitation. Digital labor ranging from gig work to unpaid data generation blurs the boundaries between work and leisure, production and consumption. “Feminist (urban) theory has challenged this dualistic approach, and so too has the increasing digitization of urban economies and everyday life today”, (Knaus K. et. al., 2021, p. 304). Thorough the analysis and review of literature on Marxism reveal that exploitation is inherent in the contemporary neoliberal capitalist structure even within the rapid digitalization and financialization moving beyond the traditional formal of exploitation and inequality. This study argues that under neoliberal structure the exploitation has further exacerbated becoming more alienated and fragmented especially with rapid expansion of financial and digital sector.

4. Results

Persistence of Exploitation under Neoliberal Capitalism

The findings of this study shows that increased labor exploitation has persisted under neoliberalism and capitalist mode of production. Scholars such as Harvey, O’Connor, and Williams have argued instead of promoting economic equality and freedom there exists exploitation as evident in falling wages, income inequality and widening resource gap. “The main conclusion of microeconomic theory is the following: if the growth of wages (or more realistically, total labor compensation) exceeds the growth of productivity, firms would need to reduce output levels and employment in order to survive”, (Speckesser, 2011, p. 65). While neoliberal discourse emphasizes efficiency, competition, and individual opportunity, the results demonstrate that these narratives coexist with intensified pressures on

labor to produce more value for relatively less compensation. Marxist analysis of exploitation and inequality has simply transformed into new and even aggressive forms.

Job Insecurity and fledgling market

Job insecurity and lack of employment is a persisting feature in a neoliberal market system where there is increased frequencies of informal and often unregistered labor, low wages and few economic freedoms. According to the contemporary this has further made labor market prone to exploitation and precariousness. Capital formation in few capital hands and worker insecurity remains a consistent concern in the neoliberal system.

Table 1

Key Changes in Labor Relations under Neo-liberal Capitalism

Dimension	Pre-neoliberal period	Neo-liberal period
Employment type	Stable, long-term jobs	Temporary, gig, informal work
Worker protection	Strong labor laws	Deregulated labor markets
Risk distribution	Shared employers/state	with Shifted to workers
Collective bargaining	Relatively strong	Weakened or fragmented

The changes have altered the conditions of work and the nature of exploitation. In the pre-neoliberal period, employment was generally characterized by stable and long term jobs which provides greater sense of security and predictable income. Sound labor law and regulations protected labors right. Economic risks such as unemployment and workforce instability are more likely to be shared among employers, workers, and the state through welfare programs.

However, the neoliberal period is commonly known as the growth of temporary, contract based and informal employment. Mainly, market deregulation reduced but creating greater insecurities. Neoliberal capitalism enhances the flexibility of capital accumulation by weakening labor's collective power and shifting costs and risks onto workers. Consequently, workers experience insecurity, while employers gain increased control over labor arrangements. The table therefore demonstrates how neoliberal reforms have transformed labor relations in ways that intensify workers' vulnerability and reinforce existing inequalities within capitalist economies.

Exploitative Social-Economic Relations

This research further exposes the increasing trend of exploitative social relations in neoliberal capitalist system with impacts reaching to the household. According to researchers such as Katz and Shao, the decrease in welfare schemes under neoliberalism policies has led further exploitation of female whose unpaid labor often go

unrecognized and undervalued further bolstering gender inequality. This further supports the traditional Marxist analysis of capitalist system.

New exploitative forms of financialization

Contemporary studies carried out by Marxist scholars provide ample evidence of how financialization of market has resulted in laborers and workers with heavy debt. Financialization such as home loans, credit cards, student debt is a new tool of extracting surplus value from the workers. This differs from traditional exploitation around workplace environment in it that it further creates capital dependency and exploitation among working class.

Table 2

Forms of Financial Exploitation under Neo-liberal Capitalism

Financial Mechanism	Mode of Extraction	Primary Groups	Affected
Consumer credit	Interest and fees	Wage workers	
Housing credit	Long-term indebtedness	Urban households	
Microfinance	High-interest repayment	Informal sector workers	
Student loans	Future income capture	Youth and graduates	

Note. This table illustrates how financial mechanisms expand exploitation into different stages of the cycle.

Financial systems have become important mechanisms for extracting economic value under contemporary neoliberal capitalism. Rather than relying solely on exploitation within the workplace, capital accumulation increasingly occurs through various forms of debt and financial obligations that affect different social groups. Customer credit, such as credit cards and personal loans, generates profits through interest payments and service fees. As per the Marxist perspective, exploitation is no longer confined to the workplace with the workforce but with increasingly occurs with debt relations. Financial relations and institutions extract values from individuals and systems. Such mechanism expands and explore as well as exploit the reach of capital into everyday life, making debt a central tool for accumulation while increasing economic dependence and insecurity among the workers, households and learners.

Exploitation through digitalization

A further result of the study is the identification of digital capitalism as an emerging site of exploitation. They are commanding the attention of the broad public including empathizers, businesses, and governments around the world (Magar, 2026). Review of literature has supported the claim digitalization is another area where exploitation through digital commodification has persisted. Contemporary scholars argue that digital platforms have become more exploitative by accruing surplus value from digital users and laborers who are largely unpaid or unseen. Hidden tools like

algorithm allow technological platforms to create controlling and coercive measures over users without any transparency and answerability.

Inequalities and Exploitation in the Global South

This study further sheds light on the often differing types of neoliberal capitalistic exploitation and inequality between Global South and Global North. Experiences in Global South is distinctive in that digital exploitation is real, hidden and often unseen as transnational corporation and technological platforms expand their reach and exploit loopholes such as near absence of regulatory mechanism, weak state infrastructure and policy measures. It is argued that there is more chances of economic inequality in the Global South given its long history of social and economic inequality and centuries of colonial exploitation.

Table 3

Comparative Forms of Exploitation: Classical vs. Neoliberal Capitalism

Aspect	Classical Capitalism	Neo-liberal Capitalism
Primary site	Factory/workplace	Economy and everyday life
Labor relation	Formal wage labor	Precarious and informal
Key mechanism	Surplus value extraction	Surplus +financial extraction
Visibility	Relatively visible	Normalized and fragmented
Resistance	Organized labor	Individualized coping

This comparison highlights the neoliberal capitalism does not replace classical exploitation but reorganizes and extends it across new social and economic terrains. Under classical capitalism, the primary site of exploitation was the factory or workplace, where workers sold their labor power in exchange for wages. The exploitation in neoliberal capitalism is often less visible and more fragmented. Exploitation now operates through both labor and financial mechanisms, penetrating everyday life while becoming more diffuse, normalized, and challenging to resist through traditional forms of collective organization.

5. Discussion

This study has only upheld the view of the exploitative nature of neoliberal capitalism as claimed by the Marxist analysis carried out in the 19th century. The themes of labor exploitation and surplus extraction and human commodification have continued to persist and persevere in neoliberal system. Increasing market financialization and digitalization have resulted in greater degree of exploitative social and economic relations. Further studies are required into the forms of digital labor and nuanced exploitative nature of financialization under neoliberalism policies.

The study has supported the argument that exploitation continues to persist under neoliberal capitalism and are more nuanced and atomized than ever before.

This study argues that under neo liberalization the exploitation has increased through newer forms such as finance and digital economy. The results demonstrate that the neoliberal capitalism represents a phase of intensified exploitations characterized and categorized by labor insecurity, economic dependency, digital commodification and ideological normalization. It helps to collectively suggests that exploitation has become more difficult to recognize and resist which penetrates deeper into social life.

6. Conclusion

The neoliberal capitalism is inherently exploitative. The reviewed literature indicates that neoliberal economic tools such as market digitalization and financialization are highly interconnected, resulting from digital to household exploitation creating wealth inequalities, unpaid labor and gender inequalities. There is evidence of new form of surplus extraction under digital platforms which highly controls and coerce largely unseen and unpaid labor forces which are far more factionalized and alienated. This study has further contributed to the study of new changing forms of capitalist market and identification of exploitative nature of neoliberal system. The conceptual scope of the Marxist theory from classical focus from factory to newer areas such as financial and digital exploitation. As opposed to earlier work this paper has shown that in global south countries like Nepal exploitation is often invisible but widespread with informal workers and women being at greater risk and vulnerability. This study has attempted to synthesize from fragmented debates to integrated and interconnected approach under Marxist analytical framework.

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