



## John Rawls' Theory of Justice in the Perspective of Shareholder Rights Protection

Audrey Adyuta Putri<sup>1\*</sup>, Elisatris Gultom<sup>2</sup>

<sup>1,2</sup>Universitas Padjadjaran, Indonesia

E-mail: [adytaudrey@gmail.com](mailto:adytaudrey@gmail.com)<sup>1</sup>, [elisatris68@gmail.com](mailto:elisatris68@gmail.com)<sup>2</sup>

Author correspondence: [adytaudrey@gmail.com](mailto:adytaudrey@gmail.com)\*

**Abstract.** John Rawls' Theory of Justice offers a robust conceptual framework for developing fair legal policies, particularly in the context of post-merger and acquisition corporate integration. This article explores Rawls' justice as fairness, focusing on the application of the difference principle to ensure proportional benefit distribution and the equal liberty principle to protect shareholder rights. In corporate integration processes, Rawls' principles emphasize the importance of fair treatment for all stakeholders, especially vulnerable groups such as minority shareholders, through transparency and accountability in decision-making. The article also contextualizes Rawls' theory with Mochtar Kusumaatmadja's developmental legal approach, which views law as a tool to balance economic dynamics and social justice. Using a doctrinal method, this study demonstrates that Rawls' principles provide a philosophical foundation for creating responsive and inclusive corporate regulations. These regulations not only promote economic efficiency but also protect the rights of vulnerable groups, making them relevant to addressing modern legal challenges.

**Keywords:** Distributive Justice, Mergers and Acquisitions, Shareholder Rights.

### 1. INTRODUCTION

Justice is the main goal of the legal system and public policy, which plays an important role in realizing equality and fair distribution in the midst of the dynamics of society. In the context of modern law, the main challenge is to ensure that the law is not only a tool for regulating social relations, but also able to adapt to evolving economic and social needs. One of the philosophical approaches that can be used in answering this challenge is *A Theory of Justice* by John Rawls. Rawls introduced the concept of *justice as fairness* which offers a conceptual framework for evaluating social structures and legal institutions based on distributive justice (Kolm, 1996; Said & Nurhayati, 2021). In the business world, especially in the process of post-merger and acquisition corporate integration, fairness is one of the crucial elements. The post-merger and acquisition process of corporate integration is often aimed at creating added value, such as operational efficiency, increased market share, or cost savings. However, this process also raises challenges related to the distribution of benefits and burdens among shareholders and other stakeholders. In the context of modern corporations, Rawls' principles have become particularly relevant, especially in the post-merger and acquisition integration process that often affects the rights and interests of minority shareholders. Rawls's principle of distributive justice is relevant in ensuring that the benefits of corporate action are distributed proportionately and fairly (Kolm, 1996; Said & Nurhayati, 2021).

In corporate integration, the main challenge is to create added value for the company that is not only economically profitable but also in line with the principle of fairness. Company management can be said to be successful if the decisions taken have a positive impact or can increase the value of the company, one of which is reflected in the increase in stock prices (Anggadini & Damayanti, 2021; Citra et al., 2021; Putri & Mesrawati, 2020). The increase in the value of the shares must be allocated proportionally, for example through dividends. In addition, transparency and accountability are also important components. Shareholders, both majority and minority, should have equal access to information related to the integration process to ensure that their rights are protected.

One of Rawls's main principles is the *difference principle*, which states that inequality can only be justified if it benefits the most disadvantaged parties (Faiz, 2009b, 2009a; Jemarut et al., 2023; Marilang, 2018). In the corporate context, this means that minority shareholders, who often have limited access to information and influence in decision-making, must continue to benefit from the post-corporate integration process. In addition, the economic benefits generated by the company must be felt widely, including by employees and other affected parties. Another of Rawls's concepts, namely the *veil of ignorance*, is also relevant for designing a neutral post-merger policy, without partiality towards the interests of the majority. In this perspective, policymakers should design regulations as if they are unaware of their position in the shareholding structure. This approach encourages the creation of fairer and more balanced policies, protecting the interests of all parties without bias against certain groups (Faiz, 2009b, 2009a; Jemarut et al., 2023; Marilang, 2018).

Although the concept of *justice as fairness* provides a solid foundation for creating distributive justice, its application in the context of modern law raises some fundamental questions. How can corporate policies proportionately protect the rights of minority shareholders? How does the law function to create fair corporate integration for all stakeholders? Based on this, this article aims to explore the relevance of Rawls' theory in the context of post-merger corporate integration, with a focus on equitable distribution of benefits and the protection of shareholder rights. This article also aims to provide a conceptual foundation for the application of *justice as fairness* in the development of legal policies that are fair and responsive to the needs of modern business.

## 2. RESEARCH METHODS

This study uses doctrinal law research methods to analyze John Rawls' theory of justice philosophically and conceptually. The main focus is to explore the principles of distributive justice and their relevance in legal policy design, without referring directly to specific positive legal issues. The analysis is carried out by examining Rawls's main works as well as relevant literature to examine the relationship between law, justice, and philosophical values.

## 3. RESULTS AND DISCUSSION

### Definition and Basic Concepts of John Rawls' Theory of Justice

John Rawls introduced *A Theory of Justice* in 1971, which became one of the most influential works in the development of modern philosophy and politics. This theory aims to create a just social structure through the concept of *justice as fairness*, which acts as a moral framework to distribute rights, obligations, and benefits fairly in society. Rawls argues that justice is a fundamental value in social settings, as it serves as a foundation for creating harmony between individual freedom and collective well-being (Donna Karina, 2024; Marilang, 2018; Situmorang et al., 2023). The two main principles underlying this theory are the *equal liberty principle* and the *difference principle*. In the principle of equal freedom, every individual has the same right to basic freedoms, such as freedom of speech, political rights, and the right to justice. This freedom must not be sacrificed for the sake of economic or social welfare. In the context of post-merger and acquisition corporate integration, the *equal liberty principle* encourages transparency and accountability in strategic decision-making and all shareholders should have equal access to information and voting rights.

In the *principle of difference*, social and economic inequality can only be justified if it provides benefits to those who are least advantaged in society. This principle focuses on creating balance and paying special attention to vulnerable groups (Donna Karina, 2024; Faiz, 2009a, 2009b; Marilang, 2018; Situmorang et al., 2023; Yunanto, 2012). In corporate policy, all shareholders are treated equally according to their rights and obligations. However, if there are certain groups that are disadvantaged by the company's policies such as minority shareholders, Rawls' principle of difference can be used to ensure that the policy remains fair overall. In the context of law, *fairness* means that the law applied must be acceptable to all people regardless of their identity, as long as the law upholds substantial justice. Although Rawls's theory does not explicitly focus on minority or majority groups, its application often helps protect disadvantaged or less influential groups. This is not because Rawls's theory privileges certain groups, but because the principle of difference ensures that inequality can only be justified if it benefits those in the weakest position. Laws designed on the basis of

Rawls' principles do not give special treatment to minorities, but work to create substantive equality that reflects the value of justice so that the law remains fair and neutral to the majority or minority.

To ensure that the principle of justice is designed in a neutral manner, Rawls introduced the concept of *the veil of ignorance* as a hypothetical framework to ensure that the principles of justice are designed fairly without partiality to the social, economic, or background of a particular individual (Donna Karina, 2024; Faiz, 2009a, 2009b; Marilang, 2018; Situmorang et al., 2023; Yunanto, 2012). This concept ensures that decisions are made with the interests of all parties in mind equally. In the context of post-corporate action integration, this concept creates conditions where decision-makers do not know whether they will be majority or minority shareholders, are unaware of the economic conditions of the company, and cannot be sure whether they will be in a position to benefit or to be disadvantaged. This hypothetical condition encourages the creation of more balanced and fair policies, since every decision taken must take into account the possibility that the decision-makers themselves could be in the most disadvantageous position.

The application of the concept of *the veil of ignorance* in the context of mergers and acquisitions has become particularly relevant to ensure objective valuation assessments, proportionate profit-sharing mechanisms, and inclusive decision-making systems. When policymakers are unaware of their position behind the curtain of ignorance, they tend to design regulations that protect the interests of all parties, including minority shareholders, as well as encourage transparency and accountability in corporate governance. In the context of protecting shareholder rights, the *veil of ignorance* provides a strong philosophical framework for designing equitable merger and acquisition regulations. This concept encourages the development of a mechanism for the protection of minority shareholders and ensures a fair distribution of benefits in the process of corporate integration. The relevance of this concept is even stronger given the need for a theoretical foundation to create policies that not only benefit the dominant group, but also protect the interests of all stakeholders in the process of corporate integration. Thus, Rawls's *veil of ignorance* theory provides a framework for designing a neutral post-merger and acquisition policy without siding with the interests of the majority group and is expected to be able to reflect substantial justice for all parties.

John Rawls's Theory of Justice emphasizes the importance of the principle of distributive justice as a foundation for creating a just social system. In a global context, this theory has been applied in various fields, such as law, politics, and public policy to ensure a fair distribution of benefits and burdens. However, to make it relevant in the Indonesian

context, a local approach that is in line with national social, economic, and cultural dynamics is needed. Rawls's principle of distributive justice provides a normative foundation for ensuring that legal policy creates a balance between economic efficiency and social protection. For example, *the principle of difference* can be applied in corporate regulation to ensure that minority shareholders are not harmed during the post-merger integration process.

Rawls' theory can also be combined with the development law approach put forward by Mochtar Kusumaatmadja. Rawls emphasizes the importance of distributive justice as a foundation for creating a just social system, while Prof. Mochtar views law as a means of renewing society that must be responsive to the needs of national development. In Prof. Mochtar's view, law is not just a static set of rules but a dynamic tool for creating directed social and economic change. Law functions as a means of development that can direct and adjust social change in an orderly manner and in accordance with development goals (Mochtar Kusumaatmadja, . 1975). The principle of equal freedom can be applied to ensure that all stakeholders have equal rights and opportunities in strategic decision-making and the principle of difference is in line with the legal objectives of development which emphasizes the importance of involving vulnerable groups, such as minority shareholders, in the economic development process. In this case, Rawls's principle of distributive justice can provide a normative foundation, while the development law approach offers a practical framework to ensure that law must also be flexible and adaptive to the changes that occur. The combination of these two theories suggests that merger and acquisition regulation should not only drive economic efficiency, but also ensure a fair distribution of benefits to all stakeholders.

In the context of Indonesian development law, Rawls' *theory of difference principle* is in line with the goal of development law to ensure that economic development does not only benefit certain groups but also involves vulnerable groups, such as minority shareholders or affected communities. Rawls used the concept of *the veil of ignorance* to ensure that policies are made fairly without bias against a particular social status. This can be integrated with Mochtar's view of law that is responsive to social and economic change. In the context of post-merger and acquisition integration, corporate regulation designed by blending Rawls' principles of fairness and development law should guarantee transparency and accountability. A fair distribution of benefits must ensure that the economic benefits of integration are not only felt by the majority shareholders but also by vulnerable groups. Regulation must ensure that minority shareholders have adequate legal protection against decisions that are detrimental to them.

Rawls' *principle of equal liberty* can be applied in national law to ensure that every stakeholder, including minority shareholders, has equal rights in strategic decision-making processes and has regulations in place that ensure equal access to information. This approach supports Mochtar's view that the law should protect all groups in society, especially those vulnerable to inequality. By combining Rawls' principles of justice with Prof. Mochtar's responsive legal approach, modern regulation can be designed to create a balance between economic efficiency, social protection, and justice.

### **Evaluation of John Rawls's Theory of Justice and Its Development**

John Rawls first introduced *justice as fairness* through his work *A Theory of Justice* which serves as the main foundation that affirms the importance of justice as a fundamental principle in social structures and legal institutions. However, Rawls recognized that his ideas needed to be further developed to address modern challenges, especially in pluralistic societies and relations between states. The idea was then expanded in two major works, namely *Political Liberalism* (1993) and *The Law of Peoples* (1999). In these works, Rawls answers the modern challenges that arise regarding pluralism in order to reach consensus on the principle of justice. *Political Liberalism* emerged as a response to the criticism that *justice as fairness* in "*A Theory of Justice*" relies too much on a homogeneous moral consensus, in which people share the same basic values. Rawls understood that modern society is made up of individuals with diverse values, beliefs, and worldviews. Rawls introduced the concepts of *overlapping consensus* and *public reason* as a way to bridge these differences. In the concept of *overlapping consensus*, Rawls argues that individuals with different beliefs can accept the same principles of justice, even if the reasons behind those acceptances are different (John Rawls, 1993). Thus, the principle of justice can be widely accepted without sacrificing pluralism of beliefs. The second concept is *public reason* (public reason) in the form of a framework of discussion in which citizens use reasons that can be understood by all parties, regardless of their personal background (John Rawls, 1993). *Public reason* is very important in fundamental issues, such as basic freedoms and the distribution of justice. Rawls emphasizes that in a pluralistic society, public policy must be based on public reason that allows for inclusivity and constructive dialogue. With these concepts, Rawls succeeded in answering the challenge of pluralism by providing a foundation for the principle of justice that is acceptable in a diverse society.

In *The Law of Peoples*, John Rawls expanded his theory of justice to a global level by introducing the idea of *a society of peoples*, a concept that describes an international community as a collection of nations interacting with each other (John Rawls, 1999). This theory is based on the recognition that countries in the world have diverse political, cultural,

and developmental systems, but can still agree on the basic principles that govern their interactions. Rawls divides international societies into two main groups: 1) *well-ordered societies*, which consist of states that are just, respect human rights, and run their governments based on the principles of justice; 2) *outlaw states*, these countries do not adhere to the basic principles of justice, such as respect for human rights and tend to violate international norms that are often a source of international tension (John Rawls). Rawls, 1999). Rawls emphasized that the principles of justice only apply among *well-ordered societies* where these countries are expected to build relationships based on mutual respect for agreed principles (John Rawls, 1999). Rawls devised the principles of global justice to govern relations between countries based on the values of respect for human rights, non-intervention, and mutually beneficial cooperation (John Rawls, 1999).

Rawls also introduced the concept of *duty of assistance* where developed countries have a moral obligation to help underdeveloped countries or *burdened societies* to be able to build just and adequate institutions, without imposing certain values. The goal is to enable these countries to achieve institutional independence that can support the justice and well-being of their citizens. On the other hand, the recipient countries must demonstrate a commitment to develop institutions that are in accordance with the basic principles of justice (Robert Nozick, 1974). By introducing concepts such as *society of peoples* and *duty of assistance*, Rawls provided a framework that upheld justice, sovereignty, and international solidarity. The framework is designed to create a more just and harmonious international society without ignoring cultural and political diversity. In the modern context, concepts such as *overlapping consensus* and *public reason* have become relevant for designing inclusive and dialogue-based policies. Meanwhile, at the global level, the principle of *duty of assistance* provides the basis for designing international aid policies that focus not only on economic welfare but also on the development of just institutions.

### **Criticism of John Rawls's Theory of Justice**

Like other great theories, John Rawls's *idea of justice as fairness* has been the subject of criticism from a wide range of thinkers. These criticisms not only point out theoretical weaknesses, but also provide insights to strengthen the relevance of the theory in the context of modern law. One of the main criticisms comes from Robert Nozick in his book *Anarchy, State, and Utopia*: Nozick rejected Rawls's principle of distinction, which he considered to be an infringement of individual property rights. He introduced *entitlement theory*, which states that justice is not concerned with the distribution of benefits, but with the way property is acquired and legally transferred (Robert Nozick, 1974). According to Nozick, the redistribution

of wealth through progressive taxes or similar policies is a form of infringement on individual freedom. This criticism is often associated with the libertarian view that emphasizes that individuals have full rights to the results of their labor. In the context of modern law, this view gives rise to a debate about the extent to which states can intervene to create economic redistribution without infringing on individual freedoms.

Another criticism comes from Amartya Sen, an economist and philosopher in his book *The Idea of Justice*. Sen considers that Rawls' theory focuses too much on the design of ideal institutions, such as legal systems and policies, but pays less attention to the tangible results felt by individuals in daily life. Sen argues that justice can not only be evaluated through the design of institutions, but also through the tangible impact of those institutions on people's lives. He proposed a "*realization-focused comparison*" approach, which is the evaluation of the impact of policies on the welfare of the community (Amartya Sen, 2009). In this regard, Sen's criticism highlights the importance of integrating procedural justice with substantive justice

One of the interesting criticisms is the one delivered from the point of view of utilitarianism developed by Jeremy Bentham and John Stuart Mill which offers different perspectives in evaluating justice. Jeremy Bentham introduced the principle of classical utilitarianism: *the greatest happiness for the greatest number* (Jeremy Bentham, 1789). According to this view, the best policy is the one that produces maximum happiness for as many people as possible. Utilitarianism assesses the morality of an action based on its ability to maximize collective happiness or well-being. Rawls's theory, with its focus on *justice as fairness*, is often considered inflexible enough to achieve efficiency or aggregate happiness. In this context, Rawls's theory is considered to focus too much on the equitable distribution of benefits to the most disadvantaged groups, even if it comes at the expense of aggregate happiness. Rawls rejected this approach because it tended to sacrifice the rights of individuals, especially those in minority or disadvantaged groups, for the welfare of the majority. Utilitarian proponents such as Bentham did not distinguish individual happiness based on their position in society, while Rawls emphasized that those who were least disadvantaged should be prioritized through *the difference principle*. John Stuart Mill later refined utilitarianism by introducing a distinction between "higher" and "lower" pleasures, adding a qualitative dimension to the evaluation of happiness. This principle emphasizes on collective efficiency and the aggregation of happiness without giving too much priority to equitable distribution between individuals or groups. Nonetheless, this approach still tends to ignore the equitable distribution between individuals or groups. Utilitarians will choose the policies that provide the



greatest benefits, even though a small portion of society may be harmed. John Rawls explicitly rejects utilitarianism in *A Theory of Justice* on the grounds that such an approach can sacrifice individual rights for the sake of collective happiness (Faiz, 2009b, 2009a; Kolm, 1996; Ladwig, 2023). In the context of modern law, utilitarianism offers the pragmatic view that law must adapt to achieve the best outcome for society as a whole. However, this approach often comes at the expense of vulnerable groups for the sake of economic efficiency.

Criticism of Rawls's theory is relevant in the context of post-merger and acquisition corporate integration. Utilitarian approaches are often used to support strategic decisions focused on economic efficiency, such as reducing labor to increase profitability. This kind of policy may benefit the majority shareholders, but it often harms vulnerable groups, such as laid-off employees or minority shareholders. Rawls emphasized that this kind of policy should be evaluated on the basis of the principle of differentiation, where the negative impact on the most disadvantaged groups should be minimized. This approach encourages companies to adopt transition policies, such as retraining or compensation for affected employees, to create substantive justice.

Despite the criticism, Rawls's theory still offers a strong normative foundation for assessing social institutions and legal policies. The principle of difference is relevant in redistributive regulations, such as progressive taxes, corporate dividend policies, or mergers and acquisitions regulations. The concept of public reason also provides the basis for inclusive and transparent decision-making. In contrast, utilitarianism reminds us of the importance of efficiency in the implementation of the law. The two theories can complement each other in legal design, where Rawls provides protection of basic rights, while utilitarianism ensures that policies remain adaptive and effective.

*The Equal Liberty Principle* encourages equal access for all shareholders to information and decision-making such as having proportionate voting rights at shareholders' general meetings. In company mergers, minority shareholders are often disadvantaged by decisions made by the majority. Rawls's *principle of difference* provides a normative basis for protecting their rights, such as equal access to dividends or other distribution of benefits. Utilitarians would argue that policies that maximize profits for the majority shareholders (who may hold more control within the company) can ultimately create more job opportunities or long-term economic benefits. In addition, Rawls's concept of *public reason* provides the basis for inclusive and transparent legal decision-making. This principle demands that policies must be acceptable to all affected parties, based on rational and understandable reasons. In the context of post-merger integration, this principle emphasizes the importance of transparency in the

distribution of corporate benefits and the protection of shareholder rights.

Criticism of Rawls's theory, whether from libertarianism, Sen, or utilitarianism, shows the importance of considering a variety of perspectives in designing legal policy. Although Rawls's theory places substantive justice as a priority, this critique highlights that the application of the law must consider efficiency, tangible outcomes, and a balance between individual freedom and collective justice. With its flexibility in its application, Rawls' theory remains relevant to confronting the challenges of justice in modern society.

### **The Origins of John Rawls's Theory of Justice**

Rawls's theory of justice is not only philosophically abstract, but it also provides a normative guide for evaluating and building social and legal institutions. In the context of modern law, Rawls' theory can be integrated with the approach of Legal Positivism and *Critical Legal Studies* (CLS) to create a more holistic analysis. The theory of legal positivism was developed by H.L.A. Hart which emphasizes legal certainty and rule validity as fundamental elements of the legal system (Chateaubriand & de Lucena, 2022; Flanagan & Hannikainen, 2022; Kingsbury, 2009). This perspective is relevant in ensuring that the law is applied consistently and regardless of subjective preferences. Rawls complements this approach by providing a moral basis for evaluating whether existing rules reflect substantive justice principles. For example, in the context of post-merger integration, legal positivism ensures compliance with formal regulations, while Rawls' theory assesses whether the policy is fair to all stakeholders, including vulnerable groups. CLS criticizes that laws often reinforce structural injustices and maintain the *status quo* of power. Within this framework, Rawls' theory provides normative solutions through the principle of distributive justice to address structural inequality. For example, in mergers and acquisitions, CLS helps identify possible injustices, such as the marginalization of minority shareholders. Rawls, through *the difference principle*, offers an approach to ensure that integration policies benefit the most disadvantaged parties. CLS helps identify how seemingly neutral legal mechanisms can systematically harm minority shareholders. Rawls's equal liberty principle, when analyzed through the lens of CLS, suggests that formal equality in law does not always result in substantive justice. For example, proportional voting rights in GMS may be formally equal, but the existing power structure can make it difficult for minority shareholders to influence the company's strategic decisions. Post-merger and acquisition regulation needs to go beyond just formal protection of minority shareholders, and develop mechanisms that effectively compensate for the power imbalances inherent in corporate structures.

In the contextualization of philosophy, this concept is in line with Immanuel Kant's view of human dignity (*intrinsic dignity*), which affirms that man is an end, not a tool (Horn & Schönecker, 2008; "Immanuel Kant: Groundwork of the Metaphysics of Morals," 1998; Kant, 2022; Kant & Gregor, 1996; Kant & Wood, 2012) so that individual rights cannot be sacrificed for the sake of the utility of the majority. *The equal liberty principle* reflects Kant's idea that the basic rights of the individual should be respected and cannot be sacrificed for the sake of the collective good whereas utilitarianism tends to judge actions based on aggregate outcomes, which can sacrifice the individual's right to the happiness of the majority so this view is at odds with Kant's idea of the dignity of the individual. In the context of modern law, this principle demands that public policies respect individual freedoms without discrimination, such as ensuring equal voting rights for all stakeholders in strategic decision-making.

In Aristotle's philosophical theory, distributive justice takes center stage, focusing on the distribution of benefits and burdens according to the contribution of each individual. Rawls goes beyond this concept by paying special attention to the most disadvantaged groups through the *difference principle*. In the context of corporate law, this principle ensures that minority or vulnerable groups receive proportionate protection and benefits in the integration process. Rawls's theory of justice is not only relevant as a theoretical framework, but also as a practical tool for evaluating legal and social policy. Through integration with Legal Positivism, CLS, and the theories of Immanuel Kant, Rawls' theory provides an inclusive framework to ensure that modern law creates a balance between economic efficiency, protection of individual rights, and social justice.

### **Contextualization with General Law Theory**

John Rawls's theory of justice offers a robust normative framework for creating a fair and inclusive legal system. In practice, this theory can be combined with various general law theories to enrich its relevance and implementation. This contextualization emphasizes how Rawls's principle of justice can work synergistically with other legal theories, such as utilitarianism, development law, and the principle of redistribution in modern law.

Rawls strongly criticizes utilitarianism because it tends to sacrifice the rights of individuals, especially minority groups, for the sake of the happiness of the majority. In *justice as fairness*, Rawls emphasizes the importance of protecting the most disadvantaged groups through the *difference principle*. However, in its implementation, Rawls and utilitarianism can complement each other where Rawls provides a normative framework for protecting the rights of individuals, whereas utilitarianism offers efficiency in decision-making. The combination of these two approaches can create a balance between economic efficiency and social justice,

especially in strategic decision-making that affects a wide range of stakeholders.

The theory of development law put forward by Mochtar Kusumaatmadja sees law as a tool for social and economic development. This view is in line with the flexibility of Rawls' theory in creating distributive justice. For example, redistributive laws can be used to ensure fairness in economic development which can include progressive taxation regulations, anti-monopoly policies, regulations on corporate dividend sharing, corporate social responsibility (CSR) obligations, and protection of minority shareholder rights. In the context of corporate integration, development law theory and Rawls theory can be applied through policies that require fair distribution of benefits to all shareholders, including vulnerable groups such as minority shareholders.

John Rawls's Theory of Justice is not only relevant as a theoretical framework but also has the power to be implemented in law and public policy. By blending Rawls's normative justice, utilitarianism's efficiency, and development law approaches, law can be designed to strike a balance between social justice and economic efficiency. In the context of corporate integration, this combination can create regulations that are not only economically advantageous, but also ensure fair distribution of benefits and effective protection of rights for all stakeholders, including minority shareholders.

#### **4. CONCLUSION AND SUGGESTIONS**

John Rawls's Theory of Justice through the concept of justice as fairness provides a solid normative foundation for creating equitable legal policies. Its principles, such as the equal liberty principle and the difference principle, are relevant to ensure a fair distribution of benefits as well as the protection of the rights of stakeholders, especially vulnerable groups of post-merger and acquisition corporate integration. Rawls's principle of distributive justice provides a normative foundation for ensuring that legal policy not only functions as a tool of social regulation, but also upholds substantive justice. In the corporate context, this theory demands fair treatment of all stakeholders, especially vulnerable groups such as minority shareholders. By integrating Rawls' principles, legal policies can be designed to ensure that the integration process results in balanced economic benefits without compromising the rights of specific individuals or groups. Rawls's theory offers not only a philosophical framework, but also a practical guide that can be integrated with other legal theories, such as legal positivism, Critical Legal Studies (CLS), and development law. In this context, legal positivism ensures certainty of rules, CLS criticizes structural injustices, while development law focuses on legal flexibility to promote social and economic justice. However, Rawls's theory is not without criticism. Libertarian criticism, such as that delivered by Robert Nozick, emphasizes the importance of

protecting individual property rights, while Amartya Sen highlights the weakness of this theory that focuses too much on the design of ideal institutions without paying enough attention to tangible outcomes. The utilitarian critique, put forward by Jeremy Bentham and John Stuart Mill, highlights the inefficiency of Rawls' theory in achieving collective happiness. Nonetheless, the flexibility of Rawls' theory allows for its application in a wide range of legal and social contexts to ensure a balance between substantive justice and efficiency. This article shows that despite the criticism, Rawls' theory remains relevant as a normative foundation in building legal policies that are responsive and inclusive to the needs of society.

As suggested in this article, the implementation of John Rawls's theory of justice should be tailored to the local context to ensure its relevance in a wide range of social, economic, and cultural dynamics. This can be done by ensuring a fair distribution of benefits as well as protection of rights for all stakeholders, including vulnerable groups such as minority shareholders. In the context of corporate action, Rawls' principle of justice must be integrated to create inclusive and transparent policies. Decision-making in corporate integration, for example, needs to be done with high transparency and accountability. This process should refer to Rawls' *concept of public reason*, which emphasizes that policies must be based on reasons that are rationally acceptable to all affected parties. This approach ensures that all parties, regardless of social or economic status, have an equal opportunity to participate in strategic decision-making, thus reflecting substantive justice.

In addition, further research is needed to evaluate the application of Rawls' principles in a variety of legal and social contexts. This research will not only strengthen the relevance of Rawls' theory in the modern era, but also provide empirical insights that can support the development of more responsive and equitable legal policies. In this way, Rawls's theory of justice can continue to contribute as a solid normative foundation in building legal and social systems that are inclusive and adaptive to global and local challenges.

## **BIBLIOGRAPHY**

### **Books**

- Bentham, J. (1789). *An introduction to the principles of morals and legislation*. Oxford University Press.
- Hart, H. L. A. (2012). *The concept of law* (3rd ed.). Oxford University Press.
- Kant, I. (1998). *Groundwork for the metaphysics of morals* (M. Gregor, Trans.). Cambridge University Press.

- Kusumaatmadja, M. (1975). *Pembinaan hukum dalam rangka pembangunan nasional*. Bina Cipta.
- Nozick, R. (1974). *Anarchy, state, and utopia*. Basic Books.
- Rawls, J. (1971). *A theory of justice*. Belknap Press of Harvard University Press.
- Rawls, J. (1993). *Political liberalism*. Columbia University Press.
- Rawls, J. (1999). *The law of peoples*. Harvard University Press.
- Sen, A. (2009). *The idea of justice*. Harvard University Press.

### Journal Articles

- Anggadini, S. D., & Damayanti, S. (2021). Indikasi current ratio dalam peningkatan harga saham. *Nominal: Barometer Riset Akuntansi dan Manajemen*, 10(1), 47–57. <https://doi.org/10.21831/nominal.v10i1.32064>
- Chateaubriand, A., & de Lucena, G. M. R. (2022). The concept of law. *Revista de Direito Civil Contemporâneo*, 33(9). <https://doi.org/10.4324/9781351000277-3>
- Citra, P. K. M., Ristiyana, R., & Taufik, R. (2021). Peningkatan harga saham melalui ukuran perusahaan, pertumbuhan penjualan dan profitabilitas. *Ekonomi Bisnis*, 27(2), 697–709. <https://doi.org/10.33592/jeb.v27i2.1839>
- Donna Karina, G. (2024). Analisis pendekatan teori keadilan John Rawls dan teori utilitarianisme Jeremy Bentham terhadap konsep pemenuhan hak korban menurut prespektif viktimologi. *Journal of Indonesian Comparative of Syari'ah Law*, 6(2), 259–276. <https://doi.org/10.21111/jicl.v6i2.11194>
- Faiz, P. M. (2009a). Teori keadilan John Rawls. *Jurnal Konstitusi*, 6(1).
- Faiz, P. M. (2009b). Teori keadilan John Rawls (John Rawls' theory of justice). *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2847573>
- Flanagan, B., & Hannikainen, I. R. (2022). The folk concept of law: Law is intrinsically moral. *Australasian Journal of Philosophy*, 100(1). <https://doi.org/10.1080/00048402.2020.1833953>
- Horn, C., & Schönecker, D. (2008). *Groundwork for the metaphysics of morals*. <https://doi.org/10.12987/9780300235722>
- Immanuel Kant: Groundwork of the metaphysics of morals. (1998). *Choice Reviews Online*, 36(02). <https://doi.org/10.5860/choice.36-0897>
- Jemarut, W., Andriani, I. G. A., & Riza, P. (2023). Penetapan upah minimum dalam perspektif teori keadilan John Rawls. *Jurnal Interpretasi Hukum*, 4(1).
- Kant, I. (2022). Toward perpetual peace: A philosophical sketch. In *Toward perpetual peace and other writings on politics, peace, and history*. <https://doi.org/10.12987/9780300128109-012>

- Kant, I., & Gregor, M. J. (1996). Groundwork of the metaphysics of morals (1785). In *Practical philosophy*.
- Kant, I., & Wood, A. W. (2012). Groundwork of the metaphysics of morals (1785). In *Immanuel Kant: Practical philosophy*. <https://doi.org/10.1017/cbo9780511813306.007>
- Kingsbury, B. (2009). The concept of “law” in global administrative law. *European Journal of International Law*, 20(1). <https://doi.org/10.1093/ejil/chp005>
- Kolm, S.-C. (1996). The theory of justice. *Social Choice and Welfare*, 13(2), 151–182. <https://doi.org/10.1007/BF00183349>
- Ladwig, B. (2023). Nonideal theory of justice for animals. *Zeitschrift für Praktische Philosophie*, 8(2). <https://doi.org/10.22613/zfpp/8.2.6>
- Marilang, M. (2018). Rekonstruksi epistemologi teori keadilan John Rawls. *Jurnal Hukum Unsulbar*, 1(1), 41–56. <https://doi.org/10.31605/j-law.v1i1.50>
- Putri, A. P., & Mesrawati, M. (2020). Pengaruh analisis teknikal terhadap trend pergerakan harga saham perusahaan subsektor hotel dan restoran. *EKUITAS (Jurnal Ekonomi dan Keuangan)*, 3(3), 324–343. <https://doi.org/10.24034/j25485024.y2019.v3.i3.4161>
- Said, M. Y., & Nurhayati, Y. (2021). A review on Rawls theory of justice. *International Journal of Law, Environment, and Natural Resources*, 1(1), 29–36. <https://doi.org/10.51749/injurlens.v1i1.7>
- Situmorang, S. F. B., Siregar, R. J., Simamora, S. F. T., & Gultom, M. H. (2023). Teori keadilan sebagai fairness karya John Rawls dikaitkan dengan bank tanah di Indonesia. *IINNOVATIVE: Journal of Social Science Research*, 3(2).
- Yunanto. (2012). Konsep keadilan dalam sengketa harta kekayaan perkawinan berbasis kemajemukan hukum. *Masalah-Masalah Hukum*, 41(2).