INTERCONNECTEDNESS AND THE SELF IN INDIAN THOUGHT AND IMPLICATIONS FOR STAKEHOLDER THEORY

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ABSTRACT

During the European Enlightenment, the notion of an "economic self" (*homo economicus*)—an individual, autonomous, benefit-maximizing, rational decision-maker—was born. This understanding of the human as rational actor lies at the core of free market capitalism today. In the 1990s, stakeholder management theorists, in seeking new metaphors to understand firm–stakeholder behavior, turned to other social sciences such as feminist theory with its conceptualization of the relational self. This paper argues that a detailed and nuanced understanding of the concept of *interconnectedness* as presented in Vedic and early Buddhist traditions can, like feminist theory, be applied to the revisioning of the self as *relational, interdependent* and *co-creative*. These insights as afforded through the lens of Indian philosophies can contribute to the advancement of stakeholder theory and management by providing a substantiated platform for discussion of the *interconnected stakeholder self*—a dynamic, collaborative participant in the stakeholder ecosystem. An advancement of stakeholder theory that incorporates both feminist and non-Western epistemologies can enhance understanding of the purpose and success of business as "conscious" and linked to the optimization of *sustainable collective value*.

This study presents a discussion of Western and Eastern epistemologies pertaining to the individual self, and the social science theories (economic, feminist, organizational) that are inspired by them. In Western Enlightenment conception, the self is conceived to be individual, atomistic, rational, autonomous and separate (Wolff and Resnick 2012, 12; England 1993, 37; Nelson 1993, 292; Jun 2005, 88). This vision of the self in modern Western thought can be contrasted against the ancient epistemologies of the self as reflected in Vedic and in early Buddhist thought (see McEvilley 2002; Olivelle 1998; Miller 1985; Gardner 1998; Macy 1991; Stalker 2007; and Gombrich 2009). Although these

schools of Indian philosophy differ in their perceptions and treatment of the self,[1] their epistemologies recognize the innate interconnectedness of all things between the whole and its parts and base their perceptions of self (or not-Self) in relational context with the All.[2]

Once having grounded the present study in the field of Western epistemology as relates to the nature of the individual self, and having explored the concept of *interconnectedness* as it is expressed in Vedic and early Buddhist thought, this paper proposes how a relational epistemology of the self that incorporates themes of interconnectedness as understood in these schools of Indian philosophy might serve to advance understanding of the self as interconnected. Key characteristics of the interconnected self can be identified as *relational, interdependent,* and *co-creative.* One can apply these characteristics of the interconnected self to build a profile of the *interconnected stakeholder self,* which advances the current understanding of the stakeholder as portrayed in current stakeholder research.

Stakeholder theory, an offshoot of organization theory and business ethics, offers a methodology by which to effectively and ethically conduct business in the globalized, technologically interconnected twenty-first century, which calls for a

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[1] The eternal Self, defined as *ātman*, is recognized in the Vedas and Upaniṣads (Grimes1996, 68–69) but is nonexistent, or "not-Self" (*anātman*) in Buddhist philosophy (33).

[2] Per C. Jones and Ryan (2007): "The Upanishads . . . philosophy focuses on realizing the unity between the individual self and the ultimate Self" (51). Ganeri (2012) observes that "The purpose for which the Buddha expounded [the doctrine of "no self"] was not to negate any specific theory of the self but to correct the universal human proclivity to seek a substantial basis of personal identity amidst the five aggregates." (164)

more inclusive, multifaceted approach than the standard microeconomic theory-driven approach of earlier eras (Freeman et al. 2010, 3–4). Despite the recent progress made in stakeholder theory to conceptualize the business entity as relational and interconnected (e.g., Wicks, Gilbert, and Freeman 1994; Mish and Scammon 2010; Tencati and Zsolnai 2009), the research indicates that the orientation of most stakeholder theorists is still rooted in the traditional ideology of the organization as an independent agent that 'networks' with its various constituents (e.g., Rowley 1997; Frooman 1999; Neville and Menguc 2006). A few stakeholder theorists (Wicks, Gilbert and Freeman 1994; Burton and Dunn 1996; Mish and Scammon 2010; Tencati and Zsolnai 2009; Charles and Bondy 2015) have drawn from relevant feminist scholarship (Faulkner 1986; England 1993, 2003; Nelson 1993, 1995, 1996, 2004) to explore the idea of the relational stakeholder self in an organizational context. They seek answers to the question of what happens when the definition of stakeholder self shifts from individuality and autonomy to relatedness and contextuality.

Management science extends the view of the individual self as espoused in modern neoclassical economic theory. Davis, Schoorman and Donaldson (1997) note:

> "the assumption about the model of man [*homo economicus*] drives the development of management philosophies and management systems, which then serve to produce behavior in the organization that is consistent with the assumptions." (32)

This view of the individual self in management theory manifests in particular through agency theory, first introduced by Jensen and Meckling (1976), in which firms (agents) and stakeholders (principals) are assumed to have divergent

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interests, different appetites for risk, and their relationships are viewed strictly in terms of a "nexus of contracts" (Jensen and Meckling 1976, quoted in Friedman and Miles 2006, 91; Eisenhardt 1989; Shankman 1999) where principals cede decision-making power to agents in return for some service or act.

The model of the interconnected stakeholder presented in this paper builds upon the advances made in stakeholder theory, organization, and management scholarship concerning the nature of stakeholder identity (e.g., McVea and Freeman 2005; Dunham, Freeman, and Liedtka 2006; Pajunen 2011), and expands them to embrace a new contextualization of the self which incorporates key insights as gleaned from Vedic and early Buddhist sources including the Ṛg Veda, early Upaniṣads, and the Sutta Piṭaka. [Excerpts from these sources will be included in final paper].

The principal difference between Western Enlightenment and early Indian speculations concerning the self is that in both Vedic and early Buddhist thought, generally speaking, a person's selfhood or identity is not considered external to, or in isolation from, their environment—the human may be regarded as an individual self, but always embedded within a greater context—cosmological, in the Vedic case, or as a mutual process of causally linked personality characteristics in the Buddhist case; never as an autonomous, separate, utilitarian entity (Paranjpe 2002; Desai and Collins 1986; Nikam 1952; Nelson 2011; Macy 1991).

The notion of interconnectedness forms the foundation of both Vedic and early Buddhist beliefs about the cosmos and the self, a perspective that is

validated by McEvilley (2002), Olivelle (1998), Miller (1985), Gardner (1998), Macy (1991), Stalker (2007), and Gombrich (2009).   The research indicates that differences between views of the self as expressed in the Ṛg Veda, early Upaniṣads, and the Sutta Piṭaka, are readily apparent.   Vedic seers created a complex hierarchical cosmology within which to situate the self (Witzel 1997, 503; Werner 1978, 280), whereas the Buddha eschewed cosmological speculation to focus on the nature of the self from a soteriological perspective, in order that he might find a way to break the cycle of rebirth and suffering and achieve enlightenment (P. Harvey 1995, 2).

One can make the following general observations from study of Vedic and early Buddhist ideas about the self that can be applied to the way one might consider the stakeholder self:

1. **The self is a "process."** The methodology of inquiry into the self can be Western (i.e., object-oriented, in that one asks "what" is a particular identity), but it might be interesting to also adopt a Buddhist perspective and ask "how" a person or stakeholder identity is.

2. **The self is "fixed *and* mutable."** Instead of considering the self to be a fixed entity, look beyond the Western paradigm of the abstract individual. When one regards identity as fluid, one does not get caught up in defining self-attributes or cling to those attributes as unchanging. The self is an evolving concept—it is mutable *and* fixed, individualist *and* relationist, separate *and* soluble.

3. **The self is "relationalist."** The self includes elements of Western individualism, but is not separated from a greater holistic context. This attribute is a blend of the individual, the relational, and their interdependency. One should not dissociate the self-identity from its world; the self is embedded in the world, and the environment shapes identity in part.

4. **The self is "co-creative."** The self is not autocreative or self-determined. It is constantly and fluidly changing, evolving, and creating together with other selves and entities. In both Vedic and early Buddhist imagination, life is co-creative; humans play their part in it through natural law (*ṛta*) in the Vedic case, and through the principle of dependent origination in the Buddhist case. In Vedic and early Buddhist imaginations, everything is seen as interconnected and co-creative.

With these key insights into the concept of interconnectedness as envisioned in Vedic and early Buddhist consciousness, and with the self characterized as relational, interdependent, and co-creative, it is possible to develop a new representation of the interconnected stakeholder self. The model for the interconnected stakeholder self is best understood in comparison to the traditional model of stakeholder identity, as depicted in the following Table:

Table 1. *The Individual Stakeholder Self and the Interconnected Stakeholder Self*

Characteristics	Individual Stakeholder Self[a]	Interconnected Stakeholder Self[b]
Personal Identity (microcosm)	Autonomous Impartial Separate Self-determined; self-interested Fixed, immutable "What" inquiry into self Unchanging; static Utilitarian Moral autonomy	Relationist; separate and soluble Social Operates with needs of parts and the whole in mind; holistic systems thinker Fluid, mutable; *conscious process* "How" inquiry into self Continually evolving; dynamic Utopian Humanistic
Relationships (work; mesocosm)	Independent Single contributor Individual agency Hierarchical structure Traditional Contractual; externally bound	Interdependent, interwoven Collaborator Recognizes value of teamwork Networked structure Transformative Trust, values, morals, ethics; internally bound
Value Creation (macrocosm)	Auto-creative 　exchange value oriented (agency) 　utility maximizing 　either/or tradeoffs 　external metrics for value assessment; extrinsic value 　reactionary 　proprietary	Co-creative 　value created in collaboration with others (relational) 　internal metrics for value assessment; intrinsic value 　proactive 　playful 　flexible 　communicative 　inventive; open source

Note. Author's table.

[a] Sources for the Individual Stakeholder Self include Enlightenment philosophy, neoclassical economic theory, concept of individualism, and traditional agency theory. [b] Interconnected Stakeholder Self sources include Vedic philosophy, Sutta Pitaka, feminist economic theory, stakeholder theory, and value co-creation theory.

Using this new model of the interconnected stakeholder self, we can now revision stakeholder identity and relationships in three ways: by (1) *redefining* the stakeholder's identity as interconnected; by (2) *reframing* the relationship ecosystem as one that encompasses firm and stakeholders as centered; and by (3) *restoring* holistic systems intelligence to the macro view of the economy, in which all stakeholders participate in a co-creative fashion. [to be expanded upon in final paper]

Figure 1 below is a rendering of the ecosystem in which the interconnected stakeholder self is situated. At the microcosmic level, the stakeholder's personal identity (indicated by Stakeholder A) is not a smooth circular orb that is purely separate or disconnected from the whole. Rather, it is more like a holistic part, or "wheel," which operates with the needs of all parts and the whole in mind. The needs of individual stakeholders and stakeholder groups are balanced against the collective needs of the ecosystem; creative collaboration is the vehicle by which individual needs are met. The interconnected stakeholder self is a systems thinker who is continually evolving, as indicated by the Dynamic Process Flow arrows.

At the mesocosmic level, the relationships between the firm and the stakeholders are depicted in a decentralized fashion. This is not the traditional firm-centric view as depicted in traditional models of stakeholder–firm relationships (see Freeman 1984, 25). In the Interconntected Stakeholder Ecosystem, stakeholders interact with each other as well as with the firm, and the firm recognizes that it is not "the center of the solar system." Rather, all actors—

stakeholders and the firm—are interdependent and interwoven collaborators who recognize the value of teamwork and operate in a networked structure.

At the macrocosmic level, the stakeholders are able to co-create together with each other and with the firm, as depicted in Figure 1 by the yellow "dynamic co-creation" lines of connection. There are different clusters of stakeholders who co-create with each other as well as with the firm.

In this co-creative model of value creation, value is created in collaboration with others in a relationalistic way; internal metrics for value assessment are established; and the co-creative nature of stakeholder engagement is proactive, playful, flexible, inventive, open source, and communicative.
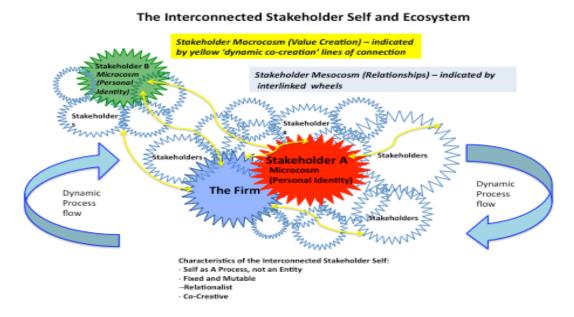

The Interconnected Stakeholder Self and Ecosystem

Stakeholder Macrocosm (Value Creation) – indicated by yellow 'dynamic co-creation' lines of connection

Stakeholder Mesocosm (Relationships) – indicated by interlinked wheels

Stakeholder B Microcosm (Personal Identity)

Stakeholders

Stakeholder

Stakeholders

Stakeholder A Microcosm (Personal Identity)

Stakeholders

The Firm

Stakeholders

Dynamic Process flow

Dynamic Process flow

Characteristics of the Interconnected Stakeholder Self:
- Self as A Process, not an Entity
- Fixed and Mutable
- Relationalist
- Co-Creative

Figure 1. The Interconnected Stakeholder Self and Ecosystem. Author's figure.

Ultimately, value creation at the macrocosmic level leads to a transformation for all players involved, including the firm. After redefining stakeholder identity and reframing stakeholder ecosystem as interconnected, we can then *restore* holistic

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systems, with a consciousness of the planet, in which all interconnected

stakeholders, even if they are primarily motivated by self-interest, participate with

firms to co-create *sustainable collective value*.

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