**Accounting for ignorance: An investigation into corruption, immigration and the state**

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**Abstract**

This research aims to investigate the financial and immigration mismanagement in Italy in the context of the recent refugee crisis. The paper contributes to previous accounting studies on corruption and immigration by unveiling the role of accounting as a technology of ignorance serving multiple and contradictory objectives of a fragmented State. We observed that ignorance partially produced through accounting relieved the Italian state of the social, political and economic burden of the refugee crisis. As opposed to a common understanding of corruption as use of public office for private gains, the consequent lack of control and corruption deriving from this ignorance ultimately served ‘public’ gains. The paper proposes retroduction as an approach for conducting critical accounting studies and invites future accounting researchers to expose States’ control over territory, resources, and population through a critical investigation of the strategic and political use of ignorance.

Keywords: Immigration; Corruption; Retroduction; Ignorance; Italy

**1. Introduction**

Critical accounting studies have shown that accounting plays a crucial role in detecting and preventing corruption through distinguishing frauds from errors (IAASB, 2009), classifying the materiality thresholds of corruption for government auditors (IFAC, 2009), as well as preventing individuals from committing corruption through the (self) surveillance effects of accounting controls (Neu, Everett, & Rahaman, 2015; Johnston, 2015; Everett, Neu, & Rahaman, 2006, 2007). Similarly, critical accounting scholars have shown how accounting can be used by the State to control and discipline immigrants (Lehman, Annisette, & Agyemang, 2016; Agyemang & Lehman, 2013). Accounting classifies immigrants into cost/benefit categories by distinguishing, for example, highly skilled immigrants who generate revenue for the State budget from asylum seekers who represent a cost for the State, thereby governing the behavior of State officials towards immigrants, making some categories desirable while others as unwelcome house-guests (Bauman, 1998).

The failure to control both corruption and irregular immigration is thus logically seen as a failure of accounting to control the behavior of the population, including the State officials, with adverse effects. Corruption, for example, has been defined as "the great disease of government" (Klitgaard, 1988), a "virus-like infection" (Ashforth, Gioia, Robinson, & Trevino, 2008, p. 671), a "threat" to democracy and development (Johnston, 2005). Uncontrolled immigration is also believed to cause serious damage to the social, moral and economic fiber of a State (Garau, 2014). Failure to govern the behavior of State officials is attributed to flawed system design with blind-spots allowing powerful actors with space to commit corruption (Roberts, 2015; Sargiacomo, Ianni, D’Andreamatteo, & Servalli, 2015; Sikka & Lehman, 2015; Everett, Neu, & Rahaman, 2006) or un-wanted immigrants to find their way into a country (van der Woude, Barker, & van der Leun, 2017). In this accounting literature, the State is thus presented to be in a perpetual struggle of producing new knowledge through accounting to control corrupt officials or shrewd immigrants, who always know how to bypass government control.

Contributing to the few previous accounting studies on immigration that have mainly criticized the role of accounting as knowledge enabling State control and consequent negative effects on migrants’ identity (Lehman et al., 2016; Agyemang & Lehman, 2013; Harney, 2011; McPhail, Nyamori, & Taylor, 2016); and to accounting studies on corruption describing accounting as a knowledge technology for preventing and punishing corruption; this paper offers an opposite case of a State unwilling to ‘account for’ immigrants entering in its territory and consequent lack of control and corruption deriving from this ignorance. As opposed to previous studies that have argued that corruption results in private benefits for the corrupt officials at the expense of the State (Neu, Everett, Rahaman, & Martinez, 2013; Roberts, 2015; Sargiacomo et al., 2015; Sikka & Lehman, 2015; Hoskin, 2015), we suggest here that accounting plays a role in producing and sustaining ignorance (Roberts, 2017; Catasús, 2008) and that consequent spaces of discretion and ‘illegalism’ (Hoskin, 2015) can paradoxically serve both the interests of the corrupt and of the national state.

The analysis aims to investigate the causes of corruption and migration mismanagement in Italy in the context of the recent refugee crisis. It problematizes the coexistence of two types of immigration reception systems deployed by the Italian government to deal with the arrival and relocation of immigrants: the SPRAR (National Protection System for Asylum Seekers and Refugees) and the CAS (System for Extra-ordinary Reception of Asylum Seekers and Refugees). The SPRAR consists of small centers where asylum seekers and refugees receive a wide variety of services. These reception centers are designed by municipalities and are run by non-profit organizations. This system relies on a typical line item budgeting and accounting system for funding and accountability. Funding is allocated upon submission of detailed financial plans to the central government by the municipalities and their chosen non-profit partners. The CAS consists of reception centers where the migrants are sent in "extraordinary" circumstances i.e. when there is no place available in the SPRAR. The management of CAS is awarded by the territorial offices of the Ministry of Interior, the prefectures, as a contract to private and non-profit organizations using an output-based funding and accounting system (Agyemang, 2010; Hood, 1995, 1991; Lapsley, 2009; Lapsley & Pallot, 2000; Wildavsky, 1978).

Whilst the government deployed a plethora of mechanisms designed to make the immigration phenomenon 'governable' in the SPRAR, the 'faulty' design and lax implementation of these mechanisms in the parallel CAS, opened the space for corruption and transformed immigration into an 'ungovernable' phenomenon. In 2014, several of these CAS centres came under criminal investigation for corruption leading to a big corruption scandal, dubbed "Mafia Capitale" by the media, which ultimately uncovered the scale and impact of corruption deals between criminals, business people, and local politicians, illicitly profiting from immigrants reception centres (Reuters, 2015). In the highly controversial context of immigration management, corruption prevention at the institutional level would have required stricter control not only over the use of public funding but also over the migrants themselves ultimately obliging the State to take responsibility for their reception and integration. The ignorance achieved through the CAS had thus the effect of relieving the central government and the local authorities from the economic, political and humanitarian responsibility of managing the unwelcome immigrants. Against this greater 'public benefit', corruption became a small price to pay for the Italian state, an inevitable collateral damage. Our case thus suggests that the failure of the State to 'account for' the immigrants who entered the Italian borders and the public money which wrongly went to non-profit organizations managing the migrants, resulted in a 'public benefit' for a fragmented State with variegated objectives (Jessop, 2008). In so doing, the paper contributes to previous accounting studies on corruption by challenging the commonly accepted definition of corruption as "the misuse of public office for private gain" (Everett et al., 2006) and offers a new perspective on the functions played by corruption and ignorance for/by the State.

The study also aspires to offer methodological guidance about conducting critical accounting studies. We propose retroduction as an approach for conducting critical accounting studies which allows researchers to simultaneously explore multiple social phenomena with veiled underlying connections. Given that a study of ignorance is a study of absence (Croissant, 2014) and claims of ignorance are often unstated, it is challenging for critical researchers to understand the role of ignorance using traditional research methodologies which are based on induction and deduction (Rappert, 2012). By using retroduction as a primary mode of inference (Bhaskar, 2009; Modell, 2017; Baker & Modell, 2019), we have provided researchers with a template to do critical research on the sociology of ignorance. The sections that follow offer primarily a narrative of our research journey. In writing this narrative, we are confronting our theoretical and methodological biases, assumptions and choices made throughout this journey. We believe that this reflexive approach of making plain how we actually did this research can be useful for future researchers who wish to conduct critical accounting research on socially relevant issues, such as corruption and immigration.

The next sections summarize the relevant literature and introduce sociology of ignorance as the theoretical framework of our analysis. We then describe the selection of the case study, the process of data collection and analysis. The case is then analyzed leading to the conclusions with theoretical and policy implications.

**2. Accounting, corruption, and immigration**

The journey for the choice of an appropriate theoretical framework for analyzing the case was an iterative process where a priori knowledge shaped how we looked at the data, while knowledge becoming available through this theory-laden gaze allowed us to alter and refine the theoretical framing (Modell, 2015). The journey started with our prior awareness of the accounting literature on corruption.

This literature has mainly focused on the role that accounting, as a control and monitoring practice, plays in detecting and preventing corruption (Neu et al., 2015; Johnston, 2015; Everett, Neu, & Rahaman, 2006, 2007; Roberts, 2015; Sargiacomo et al., 2015; Sikka & Lehman, 2015). Accounting is believed to produce visibility and set standards of 'proper' conduct, thus shaping the ethics of individuals (Neu et al., 2015). The need for control mechanisms, including accounting, becomes compelling in government procurement, a prime site for corruption, where business actors, politicians and public servants engage in mutually advantageous corruption deals (Neu et al., 2015). In these settings, even when the actors are subjected to accounting and auditing control practices, the collusion between them renders the controls ineffective (Sikka & Lehman, 2015). Furthermore, laws, regulations and internal controls, key elements in the design of the accounting controls, are often weapons in the hands of the corrupt who can throw the accounting and accountability spot-light in the wrong direction, creating dark spaces for corruption to expand and prosper (Roberts, 2015; Lehman & Thorne, 2015). Thus, "the legal register of justice" and the "extra-legal register of discipline" (Hoskin, 2015, p. 7) become ineffective means for the prevention of corruption. To the contrary, red tape and the complexity of the law appear a plausible culprit for the diffusion of corruption (Barbieri & Giavazzi, 2014).

Thus, corruption often germinates through the design of control systems which deliberately leave spaces of discretion behind a veil of compliance and transparency (Roberts, 2015; Johnston, 2005; Neu et al., 2015) and control mechanisms designed to protect the public interest can ultimately serve the private purposes of the corrupt and powerful actors (Sikka & Lehman, 2015). Rather than functioning as a powerful anti-corruption mechanism, accounting becomes a glue that holds networks of corruption together (Neu et al., 2013). As a result, anti-corruption practices can be "eternally optimistic yet perpetually failing" (Sargiacomo et al., 2015, p. 96). While this is particularly the case in countries affected by systemic corruption, an extensive literature has shown that corruption in 'advanced' countries also bears significant costs (Johnston, 2012). Indeed, the neoliberal diffusion and promotion of outsourcing mechanisms have further increased the opportunity for public–private interactions calling for more regulation and monitoring (Sikka & Lehman, 2015; Johnston, 2012). Furthermore, corruption in these countries acquires nuances and complexity that require further scrutiny (Sikka & Lehman, 2015).

Overall, these previous accounting studies on corruption have mainly focused on accounting as a knowledge producer. By making things visible, accounting provides the State with the much-needed knowledge to act and prevent corruption. Also, these studies are premised on the conventional definition of corruption as a sacrifice of 'public good' for private ends with (lack of) accounting playing a role in diverting public money into private hands (Neu et al., 2013) by greedy individuals (Sikka & Lehman, 2015). Our study challenges these assumptions by showing how accounting purposively mobilized by the State can produce ignorance rather than knowledge leading to corruption for 'public' gain.

The case at hand reflects a peculiar combination of corruption with (lack of) immigration control, two subjects that, to the best of our knowledge, have never been dealt together in the accounting literature, even though both have been individually explored on the basis of analogous assumptions. Indeed, accounting has been listed amongst the practices used by modern States to exercise administrative control not only over public money but also over territories and populations (Agyemang & Lehman, 2013). These practices reinforce and define members’ awareness of belonging to a State as much as religion, language, and culture (Giddens, 1985; Scott, 1998; Hobsbawm, 2012). It follows that the survival of national states depends greatly on the existence of an apparatus which reinforces territorial and ideological boundaries. Control over migration inflows and discourses which exacerbate intergroup differences ('us' vs. 'others') are both functional to the existence of these imagined communities called ‘nations’ (Anderson, 1983). Accordingly, critical accounting studies on immigration have showed how control systems deployed by European governments to deal with immigration have traditionally served the purpose of reinforcing governmental control over immigrants and officials dealing with them (Agyemang & Lehman, 2013; Walker, 2016) through the production of knowledge (Bigoni, Funnell, Verona, & Gagliardo, 2018).

Along this line of argument, accounting studies on migration have mainly criticized the fact that European Institutions and national States have been giving a purely economic view of the phenomenon, which translates migrants into numbers, humanitarian issues into economic calculations, and integration opportunities into costs (Agyemang, 2016). Agyemang and Lehman (2013), for instance, explain how accounting terminologies and statistics play a role in shaping migrants’ identity and enabling control. Conversely, in his study on the precarious conditions of African migrants in Naples, Harney (2011) highlights the positive role of accounting and (social) auditing in producing knowledge that made the problems of migrants visible. Thus, these previous studies have mainly analyzed accounting as a knowledge technology and have shown how this knowledge can produce multiple and conflicting outcomes.

However, the case at hand was different than the migration cases dealt by accounting researchers before as it represented the presence of two parallel immigrant control systems, the SPRAR and the CAS. In the first system, the presence of accounting inscriptions gave government actors the knowledge to control migrants and public money; on the contrary, in the parallel CAS, another form of accounting produced ignorance about both immigration and corruption. Another differentiating feature of our study was the inaction of the Italian state to amend the accounting and accountability system in CAS to make corruption and immigration governable (Agyemang & Lehman, 2013; Agyemang, 2016; Lehman et al., 2016; Neu et al., 2015; Johnston, 2005). Paradoxical existence of two systems with one producing ignorance, corruption and immigration mismanagement without any effort on the part of the state to correct the situation led us to the sociology of ignorance, as a theoretical frame.

**3. Accounting for ignorance**

Ignorance is commonly defined as a lack or absence of knowledge. Its Latin etymology ignorantia combines ig- (not) and gnarus (knowing) and has the double meaning of to be unaware of (ignoro) and to refuse to take cognizance of (ignosco) (DeNicola, 2017). Insofar as ignorance is mainly defined in privative terms, it presupposes a lack of something i.e. knowledge, in need of correction. The whole education system and related philosophical debates have been developed with the aim to overcome this lack through the production of knowledge. At the time of the ‘knowledge economy’ and ‘information age’, knowledge has increasingly become the supreme epistemic value paradoxically coexisting with widespread and collective ignorance (DeNicola, 2017). In the ‘age of knowledge’, the value of transparency is privileged (Han, 2015) and ignorance has remained a neglected and undertheorized phenomenon. Indeed, the dominance of epistemology in understanding social reality has led to deprivileging the curious epistemic status of the unknown. Recent studies have started to call into question these assumptions by showing how ignorance may be an asset rather than a liability and how sociology of ignorance is needed to gain a more fine-grained knowledge about ignorance (McGoey, 2012; DeNicola, 2017; Proctor, 2006; Rappert, 2012).

Ignorance plays important roles in society and organizations. For example, a certain degree of ignorance about others’ personal details is considered proper, at times necessary, for serving justice in a ‘blind’ manner (Sedgwick, 2008) or to make a professional evaluation about the suitability of a person for a certain job, independent of her cast, class or beliefs. Thus, in theory, a degree of ignorance, allows organizations or States to treat all in a just and fair manner (McGoey, 2012; Moore & Tumin, 1949). At the same time, ignorance preserves and reinforces systems of unequal power distribution and social stratification (Moore & Tumin, 1949). The unknown simplifies and strengthens the power of what is known thus making ignorance an oft-used tool of States’ propaganda and ideology (Croissant, 2014) as well as a mean for the preservation of tradition through the epistemological exclusion of alternative ways of living and being (Moore & Tumin, 1949). Analogously, ambiguity, i.e. uncertainty of the unknown, allows space for powerful actors to naturalize their own interpretations and solutions (Best, 2012). An appeal to ontological ignorance (Marquardt, 2016) and future uncertainty can be used as a justification for political inaction and (lack of) accountability (McGoey, 2012; Best, 2012). In other words, actors can ‘manufacture ignorance’ (Proctor, 2006; Rappert, 2012) or design ‘strategic unknowns’ (McGoey, 2012) to serve particular interests.

The literature on the sociology of ignorance has provided several cases of strategic ignorance. Proctor and Schiebinger (2008)’s pioneering work offers examples of "making and unmaking of ignorance", ranging from environmental denialism, female orgasm (see also Tuana, 2004) to native American paleontology. Similarly, Galison (2004) and Marquardt (2016) show the relationship between ignorance and the ‘unmaking’ of people by analyzing the government’s disinterest in producing statistical knowledge on homelessness. Rappert (2012) explains how the UK’s government mobilized ignorance about the number of civilians’ deaths in the Iraqi war to avoid public outrage. Not only governments but also industries such as the tobacco and pharmaceutical are being charged with strategically manufacturing ignorance to serve their particular interests, such as reputation and legitimacy.

Given its pervasiveness, ignorance has gained increasing importance in sociological studies (McGoey, 2012; Proctor & Schiebinger, 2008; Galison, 2004; Marquardt, 2016; Rappert, 2012). On the contrary, with a few exceptions (Roberts, McNulty, & Stiles, 2005; Roberts, 2017), the critical accounting literature has left the role of ignorance unquestioned. These few accounting studies on the subject clarify how ignorance is often used by managers to strategically take a distance from local knowledge and operational activities thus boosting their career prospects (Roberts, 2017, p. 1). Accounting information always involves a certain degree of abstraction from the specific context it wishes to ‘represent’ and, in so doing, it ignores the complexity of organizational practices and social relations (Morgan & Willmott, 1993). In other words, knowledge is lost in this abstraction process allowing its political and instrumental use. In this respect, while complete transparency is a deceptive ideal (Roberts, 2017), accounting systems can differ in terms of the knowledge and ignorance they produce. The case at hand thus builds on our existing knowledge of accounting and ignorance by exploring accounting and management of two simultaneous reception systems producing different knowledge/ignorance effects. The functionality of this ignorance vis-à-vis the interests, power and constraints of a fragmented State was something that our inquiry tried to unveil.

Using ignorance as a theoretical framework poses special methodological challenges for all researchers (Rappert, 2012). Like accounting, production of knowledge involves abstraction and thus an unavoidable degree of ignorance (Sayer, 1992; Kim, 2008). As researchers, while producing knowledge we also produce ignorance in every research inquiry. The selection of documents to be reviewed, people to be interviewed and questions to be posed in these interviews are also choices of knowledge/ignorance production. However, with respect to strategic ignorance, a critical challenge lies in the fact that actors’ real intentions are deliberately kept hidden, hence they are not open to scrutiny. The strategic element of ignorance consists precisely in the fact that there exists often a veil separating actors’ (un)claimed intentions and the real ones. "The conditions that suggest the production of ignorance also frustrate specifying it" (Rappert, 2012). When the ‘actor’ is a State, this task becomes more complicated. States are far from being monolithic entities, so agency and intentionality acquire further nuances and complexity (Ashraf & Uddin, 2015). Aware that "expecting to pin down the meaning of public affairs is unrealistic and misguided" (Rappert, 2012, p. 56), our research offers a way to deal with these challenges by using retroduction as a methodological approach that allows researchers to develop a critical understanding of the role of ignorance in connecting corruption, immigration and the State.

The next sections describe the methodological approach that we followed to carry out our research and to unveil the strategic role played by ignorance in the Italian state’s response to the refugee crisis.

**4. Our research journey: the selection of the case, data collection, and analysis**

*4.1. Methodological foundations*

Our methodology is grounded in the epistemological and ontological foundations of critical realism (Ahmed & Uddin, 2018; Ashraf & Uddin, 2016, 2015; Baker & Modell, 2019; Mutiganda, 2013; Smyth, 2012; Stergiou, Ashraf, & Uddin, 2013). Overcoming the limitations of both constructivist and positivist approaches, critical realism argues that human knowledge is a subjective -more or less correct- appreciation of a reality which exists independently of the observer. Accordingly, the critical realist ontology consists of three domains, i.e. the real, the actual, and the empirical (Bhaskar, 2009). Social structures belong to the domain of the real (Modell, 2019); they are "systems of internally and necessarily related objects (or positions)" (Stergiou et al., 2013, p. 64). These structures act as generative mechanisms of events which belong to the actual domain (see Fig. 1). Events as experienced by individuals define the domain of empirical.

Within this paradigm, knowledge is thus produced in an iterative process which moves from "the manifest phenomena of social life to the essential relations that necessitate them" (Bhaskar, 1979, p. 32). This creative process is called retroduction (Bhaskar, 1979; Mingers, 2006; Zachariadis, Scott, & Barrett, 2013; Modell, 2017; Baker & Modell, 2019) and involves three phases of analysis: an appreciation of the research situation, the actual retroductive analysis and a critical assessment of theoretical explanations. The following paragraphs provides an overview of these stages with a description of the data collection and analysis involved.

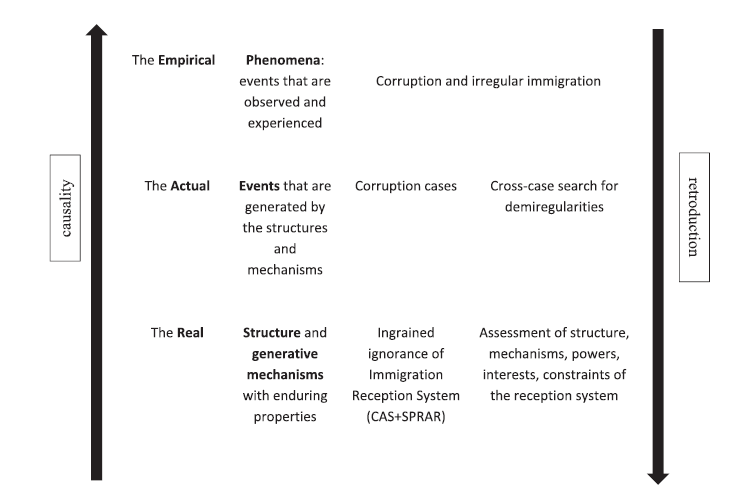
*4.2. Appreciation of the research situation: phenomena and events*

This research project was prompted by the corruption scandal "Mafia Capitale" that hit Italy in 2014. While many Italians were not too surprised by the scandal, the story gained international attention due to the following declaration by one of the main protagonists of the scandal: "Do you know how much I earn on immigrants? Drugs are much less profitable" (Financial Times, 2014). The scandal showed how refugee shelters were becoming a lucrative business for a network of corrupt individuals and organizations, unduly claiming money from the government for migrant welfare (The Guardian, 2018).

Interestingly, the case was bringing together two phenomena, i.e. corruption and irregular immigration, with connection never explored by accounting scholars before. In line with the critical realist approach, the subsequent data collection and analysis was driven by the following research question: what does the existence of [corruption and lack of immigration control] (in this form) presuppose? (Sayer, 1992).

The first stage of analysis focused on the identification and analysis of the empirical events characterizing the phenomena under study. Media and legal documents on corruption cases vis-à-vis the refugee crisis were the main source of the analysis. The Lexis-Nexis database was used to identify articles on reported corruption cases in immigration management in 16 web-based news sources. A comprehensive search was performed by combining the following keywords: (‘migrants’ or ‘asylum seekers’ or ‘refugees’) AND (‘corruption’ or ‘fraud’ or ‘business’). The research covered the period since the time that the refugee crisis gained momentum in 2014 to the most recent events of 2018. The search gave us a total of 840 newspaper articles. These were integrated with an analogous search in three widely read national newspapers not covered in Lexis-Nexis, La Repubblica, Il Corriere Della Sera, and Il Fatto Quotidiano, each returning 536, 200, and 190 newspaper articles respectively, making a total universe of 1766 newspaper articles to be analyzed. Data reduction was achieved by reading the title of each article and selecting those that specifically dealt with corruption cases.

After a thorough review of the news items universe, 17 corruption scandals covered in the newspaper were identified (see Table 1). The two authors independently analyzed these 17 scandals to identify demi-regularities (Zachariadis et al., 2013). Demi-regularities are the partial event regularities that indicate ‘‘the occasional, but less than universal, actualization of a mechanism or tendency, over a definite region of time–space” (Lawson, 1997, p. 204). These demi-regularities were not ‘‘law-bound regularities” (Modell, 2015, p. 1143) but rather tendencies that we were able to observe in the occurrence of such corruption scandals. These otherwise different cases of corruption with different actors presented the following demi-regularities: they involved the same subjects (i.e. prefectures and private/non-governmental actors), the same place (i.e. type of reception system i.e. CAS), the same actions (e.g. overbilling, false invoices, bribery, embezzlement etc.) and other ‘factors’ actualizing corruption, namely collusion between State officials and private parties, self-interests, and a culture which normalizes corruption (Sikka & Lehman, 2015; Roberts, 2015). These demi-regularities were further corroborated through a review of policy documents, reports, budgetary and auditing documents on the Italian immigration reception system issued by international and national NGOs and institutions, such as the European Commission, the European Council, the European Court of Human Rights and the Italian government, transcripts of the ‘Parliamentary Commission of inquiry into the immigration system of identification, expulsion and reception with respect to the treatments of migrants and the use of public funding’ (XVII Legislation, 2015–2018), and the reports of NGOs and civil society organizations (e.g. UNHCR – The UN Refugee Agency; Save



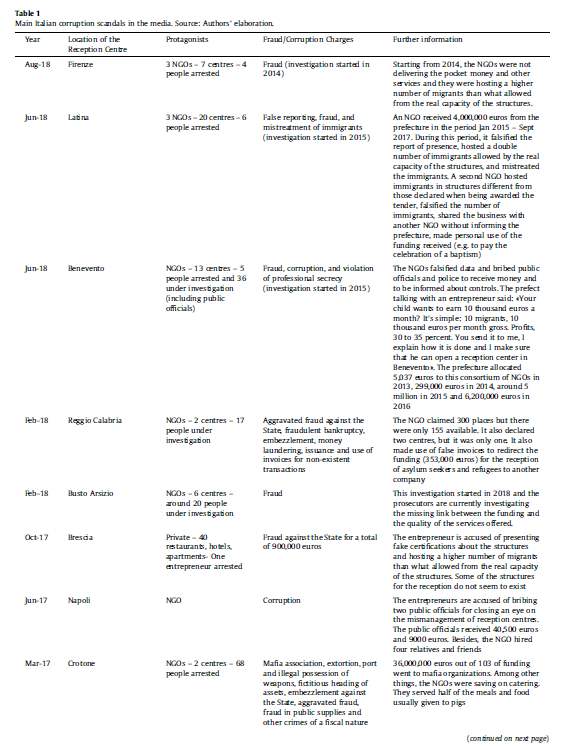
**Fig. 1**. Case analysis based on critical realist methodology. Source: Elaborated from Bhaskar, 1979 and Zachariadis et al. (2013).

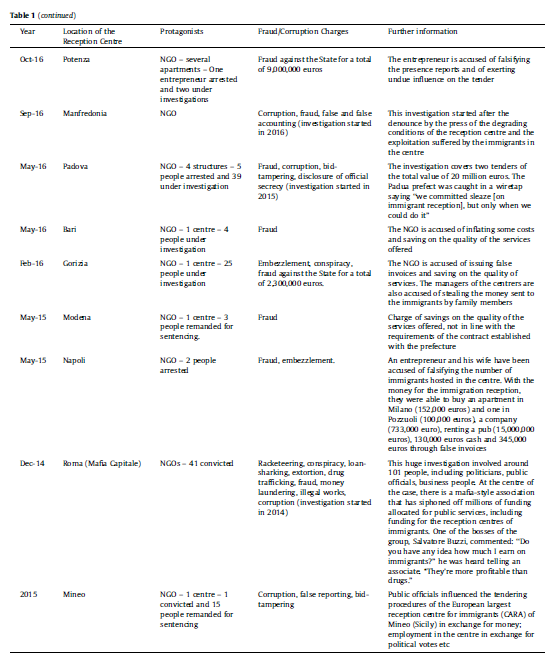
the Children; Human right watch; Medici senza Frontiere). The first stage of analysis also helped us to identify the main sites of immigrants’ reception and corruption i.e. the CAS and SPRAR reception centres. These two types of reception centres became our main units of data analysis.

*4.3. Retroductive analysis: structure and generative mechaninsms at play in CAS and SPRAR*

The second stage of the critical realist methodology involves the formulation of hypothesis about constitutive structures and mechanisms generating the events identified. The aim of the analysis is to move from the domain of the actual to the domain of the real thus idenfying structural causes of the events identified in the first stage of the analysis (Modell, 2019). In a critical realist perspective, causality refers to the conditions under which social structures cause the occurrence of specific events by influencing "the behavior of agents or groups in which agents are embedded" (Zachariadis et al., 2013, p. 4; Ahmed & Uddin, 2018). Therefore, we specifically focused on the key actors in the two reception systems, i.e. SPRAR and CAS, to identify the generative mechanisms causing corruption (Sayer, 1991).

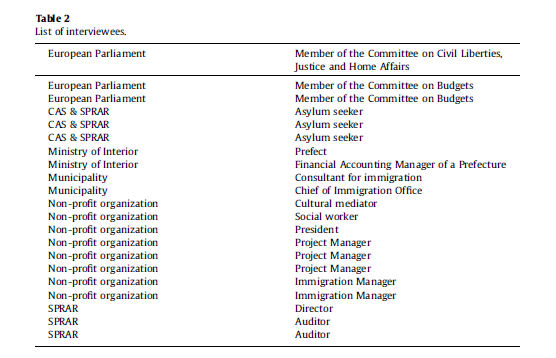
Applying purposive sampling (Blaxter, 2010), a total of 21 in-depth interviews of, on average, 1 hour’s duration were conducted to ensure that we covered the entire spectrum of actors involved in the reception system with diverse and deep insights (Jessop, 2008; see Table 2). Care was taken to ensure that we identify relevant and informed actors. To begin with, our analysis was discussed in the context of interviews with three European Parliament members visiting the reception centre of Mineo at the centre of one of the corruption scandal identified. The three members were part of a delegation aimed at





investigating the propriety of use of the European funding by the Italian government, hence the interviews were useful in deepening the understanding of corruption and irregular immigration with a view to its contextual dynamics and underlying causes. Additional insights into the immigration reception system were obtained through interviews with the director of the SPRAR Central Service, who occupies the highest position in the SPRAR structure, and two expert SPRAR auditors in charge of auditing SPRAR projects across the national territory.

To gain a more in-depth understanding of the vulnerability of the reception system to corruption at the local level, we then focused our analysis on one of the Italian metropolitan city areas most exposed to immigration inflows. Interviews were carried out with actors bearing the main responsibility for the management of immigration centres in the metropolitan city area: the city council, nonprofit organizations in charge of managing SPRAR and CAS centres, and the prefecture. In the city council, the interviews involved the chief of the immigration office and an immigration consultant specialized in refugee protection and asylum. In the city’s prefecture, two officials of the prefecture with years of practical experience in auditing the CASs were interviewed. Additional insights into the role of nonprofit organizations were then gained through interviews with eight immigration managers with extensive experience in managing SPRAR and CAS centres. Finally, three asylum seekers hosted in both CAS and SPRAR centres were also interviewed.



The interviews were conducted within a three years’ time-span, 2015–2018. All participants were informed about the research objective and assured that their anonymity will be maintained during and after the research project (Saunders, Kitzinger, & Kitzinger, 2015). Given the sensitivity of the topic, some interviewees were very cautious. For example, the officials in the prefectures were very concerned about the ‘objectives’ and ‘appropriateness’ of the research project and did not allow the audio recording of the interviews. Similarly, the interaction with two of the three asylum seekers took the form of an informal conversation rather than of a recorded interview. However, after being reassured that the project was an academic and not a journalistic research, most of the interviewees ‘opened up’. Three interviews were conducted by phone, while the others were face-to-face interviews. All the recorded interviews were fully transcribed and shared with the participants to ensure that we have captured their views in a faithful manner.

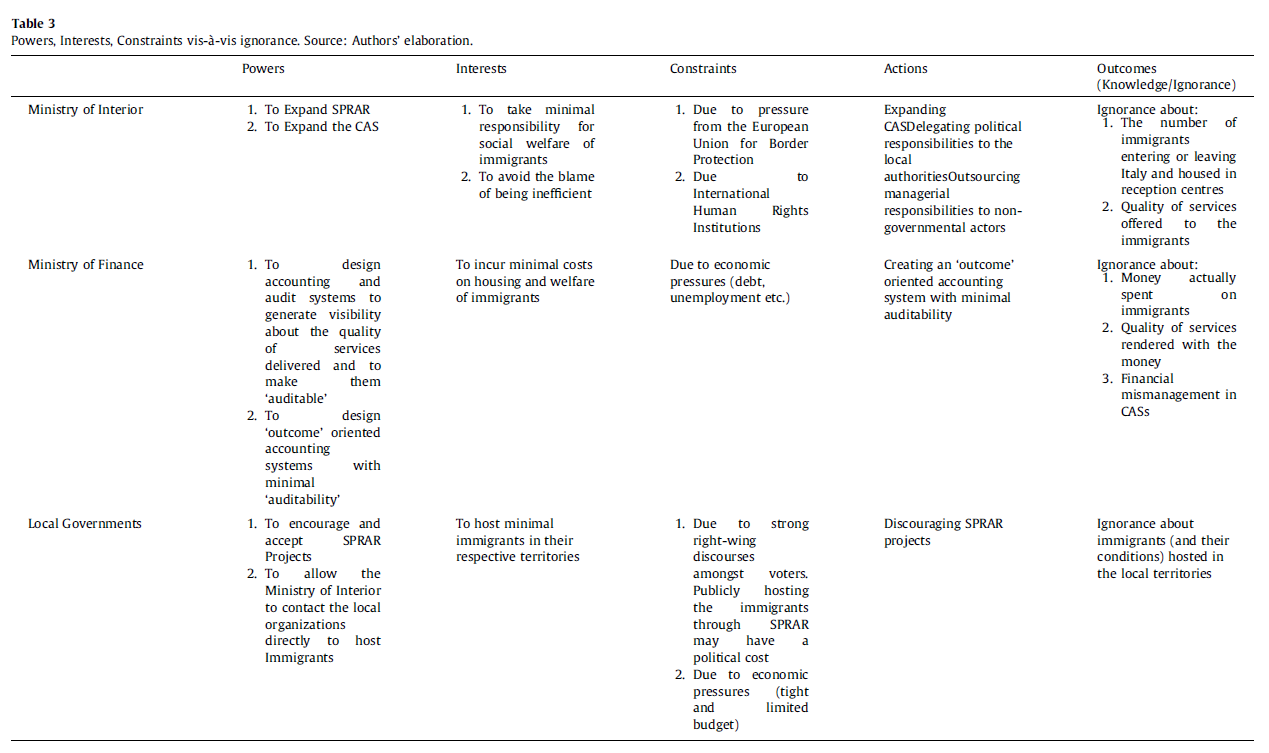
Being a non-probability sampling technique, purposive sampling is susceptible to interviewer and interviewee biases (Daniel, 2011). This is especially true when the research deals with sensitive topics, such as corruption and immigration that are framed by different political and ethical viewpoints. To minimize these biases, we were reflexive in considering both our attitude and political positioning in the project and the potential interviewees’ biases due to their role in governing immigration. In this respect, political biases were a major concern and were minimized by involving in the project interviewees with different political ties. Corroboration of interview data with the data collected from secondary sources also allowed us to overcome the potential bias and to balance out the limited number of interviews.

The transcriptions of the interviews and the large amount of secondary data collected in the process thus provided the material for developing our "transfactual argumentation" (Danermark, Ekström, Jakobsen, & Karlsson, 2002, p. 96), i.e. an argumentation which, through retroduction, moves from the empirical observation of corruption and irregular immigration to the conditions that transformed corruption into a systematic rather than an occasional and geographically situated phenomenon.

All transcribed interviews and documents were, at first level, coded using terms and expressions used by interviewees (Miles & Huberman, 1994). These descriptive codes e.g. ‘output-based funding’, ‘lack of information produced in CAS’, ‘lack of resources’, ‘line-item budgeting’, ‘institutional void’, ‘political responsibility’, ‘economic pressure’, ‘lack of control’, ‘decentralization’ etc. were then clustered into a macro-coding scheme suggested by Miles and Huberman (1994), which fitted neatly with retroductive reasoning. This involved coding first-level data into ‘conditions’, ‘actions’ and ‘outcomes’. Conditions were further sub-coded into ‘powers’, ‘constraints’ and ‘interests’ (Stergiou et al., 2013; Ashraf & Uddin, 2015). The two authors independently followed the coding scheme vis-à-vis all main actors of the reception system, i.e. the Ministry of Interior and its prefectures, Ministry of Finance and local goverments. The codified texts were then discussed collectively to assess the role of the structural ignorance characterizing the reception system in the light of the powers, constraints and interests identified (see Table 3). In particular, the CAS accounting system produced ignorance by design, which persuaded us to arrive at the sociology of ignorance as a plausible and practically adequate explanation of the case before us.

*4.4. Critical assessment of theoretical explanation*

The third stage of the analysis required us to critically assess ignorance as a valid theoretical explanation (Sayer, 1992). In order to meet this aim, we tried to gain an understanding of the scale of ignorance and its functionality (McGoey, 2012) in the context of the immigration reception system deployed by the Italian state in response to the refugee crisis. With a view to the immigration reception system analysed, we thus theorized the State in



’strategic-relational’ terms (Jessop, 2008) as a complex and contingent ensemble of organizations and institutions aimed at governing resources, territory and population (Jessop, 2008; Collier, 1994; Ashraf & Uddin, 2015).

The analysis thus involved an iterative process where we analyzed the ignorance/knowledge embedded in the structure and mechaninsm of the reception system in the light of the powers, constraints and interests of the State to conclude that unknowns partially produced through accounting were strategically serving multiple and contradictory objectives of a fragmented State. We also employed alternative theoretical accounts, e.g. governmentality, to come up with the theoretical explanation that in our view offered a more ‘‘realistic”, yet fallible, explanation of the case before us (Modell, 2015).

The process of data analysis and theoretical interpretation of the case was also accompanied by a continuous dialogue with other colleagues and academics of other universities. The research project was presented to three different audiences in the context of external seminars and conferences’ presentations. Once satisfied with our theoretical explanation, we also shared our findings with colleagues of our university and presented the research in two internal seminars of accounting and sociology department. Aware of the multi-disciplinary nature of the inquiry and of the compartmentalized nature of modern-day universities, we thought it was crucial to share our research findings with colleagues across the departmental divides.

The following section critically discusses the findings of this retroductive analysis with a view to the generative mechanisms of corruption at play in CAS and SPRAR systems and the diverse and strategic functions played by ignorance for the benefit of the Italian state.

**5. Case analysis: a tale of two systems**

In the fall of 2014, European states experienced the arrival of an unprecedented number of immigrants, mostly from Syria and sub-Saharan Africa. This ‘refugee crisis’ posed immediate challenges to most of the European states but these challenges were more serious for Italy than perhaps many other countries of the Union. First, the country was dealing with the effects of a ferocious economic crisis, with one of the highest unemployment rates in Europe and the second highest debt level in the Eurozone after Greece (Eurostat, 2018a, 2018b). In this economic meltdown, the reception and integration of thousands of immigrants were perceived by the State as another challenge which would further worsen the short-term economic and social conditions of the country. Secondly, the incoming migrants were being portrayed by right-wing populist parties and media as a serious threat to the cultural, social and political integrity of the country (Di Ronco & Lavorgna, 2018). This was fostering a climate of insecurity and racism. The war on terror caused further reasons for European states to protect their borders from incoming ‘potential terrorists’. Third and most importantly, given its geographical location, Italy was serving as the port of first entry for most of the asylum seekers using the Mediterranean route. This caused the EU to take a special interest in how Italy dealt with immigrants. No coincidence, the first law with an attempt to develop a systematic approach to manage the immigration problem was implemented by the Italian government under the pressure from the EU (Abbondanza, 2017). After joining the Schengen, the country acquired the status of an EU outpost, protecting the rest of the Union from the ‘incursions’ of the immigrants and with the obligation to comply with EU policies and legislation on the matter.

To comply with this new role of Italy as Europe’s gatekeeper, the Italian immigration policy witnessed a ‘securitization turn’, first with the introduction of the Bossi-Fini Law (No. 189/2002) and then with the so-called ‘‘Security Package” of 2008. These legislative measures framed immigration in terms of a ‘‘danger of a real invasion into Europe” (technical report accompanying the draft of the Bossi-Fini Law) and contributed to the ‘criminalization’ of immigration (Di Martino, 2013). They introduced, for instance, a highly controversial law, declaring irregular entry into Italy a criminal offence with corresponding punishments (Internazionale, 2013). This ‘governing migration through crime’ (Dowling and Inda, 2013; Simon, 2007) legitimized the introduction of disciplinary mechanisms, such as mandatory fingerprinting and forceful detention of undocumented migrants in ad-hoc ‘reception centres’ up to 180 days (Menz, 2008). Furthermore, immigration was made a local issue i.e. instead of a centralized commission for the assessment of the refugee status, these laws empowered regional commissions for review and decision about asylum requests.

International and local laws pushed the Italian state to put migrants into the field of documentation through a system of registration. Indeed, international law (Regulation n. 603, 2013) mandated that once an immigrant reaches the Italian coasts, in general following a rescue operation in the Mediterranean Sea, (s)he must be fingerprinted, and an identification photo must be taken. A brief interview with the Police was also made mandatory resulting in a ‘news sheet’ filled with relevant information about the identity of the immigrant (mainly sex, age, and nationality) and the reasons of his/her arrival in Italy. This identification process, in turn, involved a first categorization distinguishing ‘asylum seekers’ from ‘irregular’ immigrants. The latter were sent to centres, called CIE, from where they were supposed to be sent back home. ‘Genuine’ asylum seekers were required to fill an application for asylum and were allocated to reception centres for the time necessary for their application to be evaluated by the territorial commissions formed of members of National Committee on Migration and local prefectures. Thus, the documents produced at the local state institutions, e.g. police, prefecture and judiciary, subjected migrants to an examination process hinged upon a binary classification of the legal and the illegal (Bossi-Fini Law No. 189/2002). In addition to this process of knowledge production, the organization of spaces of ‘reception’ became functional to the control of immigrants pending the outcome of the application for international protection. This process took on average 6 months but given that immigrants were given the possibility to appeal against the decision of the commission, it could also take several years (Parliamentary Commission of inquiry, XVII Legislation, 2015–2018).

Following a short time in centres of primary reception for finalizing the request of international protection, the asylum seekers, by law, should have access to the national system for the reception of refugees and asylum seekers called SPRAR. However, in practice, most of the asylum seekers were hosted in the CAS. The following sections describe these two main types of reception, the CAS and the SPRAR, and the way in which accounting was used to produce knowledge and ignorance in the two systems respectively (see Table 4).

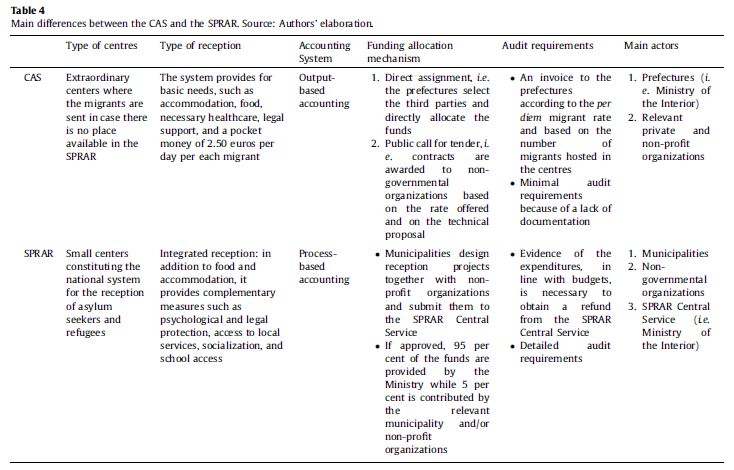
*5.1. The SPRAR: accounting as a technology of knowledge*

The SPRAR system was established by the Bossi-Fini Law in 2002 to deal with an exceptional peak in immigration following the Kosovo crisis. The creation of this system aimed at framing and organizing the multiple and informal reception initiatives by non-governmental actors and local authorities taking place at that time into a better-structured institutional framework. The Ministry of the Interior established a Central Service organized into three main units (Tutor, Front End, Back Office) with the function of monitoring, coordinating and assisting the municipalities and non-governmental organizations involved in the reception and integration of asylum seekers and refugees. The Ministry of the Interior also entrusted the management of the Central Service to the National Association of Italian Municipalities (ANCI) – Cittalia Foundation. Ten years after its formation, the SPRAR system grew to 31,340 available places in 2017 (SPRAR, 2018). Similarly, the number of local authorities taking part in SPRAR have also been steadily increasing. In 2017, there were 659 local authorities involved in the SPRAR.

The SPRAR was mainly financed by the National Fund for Asylum Policies and Services (FNPSA). SPRAR centres were established through a collaboration of municipalities with non-profit organizations. A municipality that would wish to welcome and integrate migrants in its territory was eligible to design a reception project and select, through public tender, one or more non-profit organization as partners for the management of this project (SPRAR website). The project had to be submitted to the SPRAR Central Service. If approved, 95 per cent of the funds were provided by the Ministry through the FNPSA, while 5 per cent were contributed by the relevant municipality and/or non-profit organizations (Legislative decree 10 august 2016).

To obtain the funding, the municipality, together with the relevant non-profit organizations, prepared a budget for the SPRAR project that it wished to carry out. The budgets included relevant information such as the number of potential beneficiaries, the categories to which they belonged (e.g. families, migrants with disabilities, unaccompanied minors) and a detailed functional expenses plan. For instance, the manager of a non-profit organization explained that "in a project of 260,000 euros for the year 2018 that we submitted last year, we budgeted 117,000 euros as the costs of personnel, 7000 for the facilities, 80,000 for the purchase of goods, 5000 for learning and social assistance, 2000 euros for counsel, 41,000 euros for the integration, 10,000 for other expenses...(there are detailed guidelines for these expenses, for example,) with respect to the integration expenses, the budget must be at least 7 per cent of the total budget". While the budget items of the financial plan of the projects were mainly predefined, the cost of the projects could vary, as clarified by the SPRAR director:

*the applicants who submit the project are not required to remain under a certain ceiling of expenditure. There are mandatory items with costs that must be proportional to the nature of the budget items but there is no ceiling. The Evaluation Commission may then decide to make some cuts [...] There are some costs that vary greatly depending on the territory or the type of project.*



Therefore, in the SPRAR, the funding was not exclusively linked with the number of migrants hosted in the center but also depended on the quality and variety of the services provided. Indeed, the SPRAR projects were expected to offer an ‘integrated reception’ that, in addition to food and accommodation, provided measures such as psychological and legal protection, access to local services, socialization, and school access (SPRAR website). Thus, in case the centres received a lower than the budgeted number of migrants, the funding could still be used for the development of additional services:

*if you calculate the budget divided by the places and the days of presence, our SPRAR project is around 42 euros per migrant per day. The huge difference [compared to CAS] is that the SPRAR has a budget so that what you spend they [Central Service] give you back. If you don’t spend they don’t give you anything. Hence, even if you have 4 spare places you can still pay the salary of the social workers (Manager of a non-profit organization)*

Along the same line, the project manager of another non-profit organization explained: *‘‘if I have 14 migrants in a project for which I budgeted 18 guests, (I may end up spending most of the budget) ... I may end up doing an extra training course for the immigrants and in any case, I have to pay the full rent, so obviously, some of these guests will cost more on a per capita basis than what I had budgeted for them”.*

This availability of economic resources and the logic of an integrated reception incentivized the organization of the reception in small apartments, which fostered autonomy and social integration of the migrants in the receiving territory. Asylum seekers were entitled to stay in the SPRAR system up to 6 months with the possibility for an extension of an additional 6 months. During this period, ‘‘they have to spend the night at the center/apartment, otherwise it becomes an unexcused absence – if they do not formalize their request – and if they do more than 2 nights of unexcused absences they lose their right to the reception” (Manager of a non-profit organization). However, in most of the cases the immigrants stayed for the entire duration of the project, incentivized by the fact that "at the end of the period they can receive an exit contribution of 250 € and if they find a job they may get an additional four months’ rent or other types of contributions" (Social worker of a non-profit organization).

The governance of SPRAR projects involving multiple governmental and non-governmental actors operating at various local sites raised the need for an elaborate financial control system. This elaborate control was achieved by the Central Service which oversees coordination, funding, and control over the implementation of the SPRAR projects through documentation including ‘accounting inscriptions’ (Robson, 1992) to produce knowledge to protect the public interest of taxpayers and prevent fraud. The SPRAR thus had tight financial planning and reporting requirements given in a detailed manual. Detailed evidence of the expenditures, in line with budgets, was necessary to obtain a refund from the SPRAR Central Service. Thus, once a year, all the reporting documents had to be submitted to the Central Service:

*The administrative control is done once a year because it is a single account, obviously there is a lot of assistance during the year on the admissibility of expenses, on approvals of expenses that were not included in the financial plan, and on the revision of the budget that each project can do by November of the current year and which must be approved. Of course, also the revision of the budget must be approved, and during all these stages, at the time of the verification of the reporting, some cuts can also be made and eventual savings are verified.* SPRAR Director

The expenses were first submitted by the non-profit organizations to the municipality for review and approval. Once approved, the municipality sent the documentation to the Central Service for further review. Expenses incurred by non-profits were thus refunded after a two-layered review and approval process:

*we have an obligation to prepare the reporting in relation to our management expenses, such as the register of attendance, the cash register, the financial register of the expenses incurred. When it is time to do the reporting, we prepare this documentation and then the municipality convenes us and we bring our expenses receipts and the required documents. We integrate with the reports of the municipality, in case it has co-financed the project and has withheld expenses for itself and thus, we prepare a final register of expenses with the final financial plan that of course can be different from the original one, but the aggregate expenses can never be higher than the approved limit* (Manager of a non-profit organization)

Once brought into the field of documentation in a particular form, other control measures such as auditing also became possible. To govern financial spending and the quality of the projects, comprehensive financial and social audits were carried out. These audits not only assessed the financial propriety of these projects but also assessed as to whether the best value was being received by the ‘customers’ of these centers:

*we go to review and verify if they have changed some of the things declared in the planning stage or are they sticking to the plans. For example, if they wrote in the project "we will guarantee to the beneficiaries 1.50 euros of pocket money and the beneficiaries will have kitchens inside the apartments to independently manage the preparation of food" and, during the inspection visit, we see that the beneficiaries actually receive only 1 euro of pocket money and do not have the kitchen, but they have a catering, we point out that there was no correspondence and so we ask why did this happen* (SPRAR auditor)

Furthermore, during the audit process, the auditors organized multi-stakeholders’ meetings with the team of the non-profit organization and the migrants hosted in the centres to discuss the challenges faced during the implementation of the project and to find potential solutions. This process entailed the collection and the review of large documentary data and a report sent by the auditors at the end:

*We complete an audit check-list during the visit, review accounting documents and verify supporting evidence... once we have collected [all this information], we prepare a report to be sent to the Ministry, the local authority and the non-profit organization.* (SPRAR auditor)

The non-profit organization was expected to send two reports to the Central Service, a half-yearly and an annual report. If an audit had been carried out after the submission of the half-yearly report, the non-profit organization had to disclose in the annual report how they addressed the concerns raised by the auditors in the last report. The frequency of the audit of these projects was not predetermined: *"some of my colleagues have also done more than one visit in the same projects from June to today. I personally visited once all the projects and then did some remote monitoring, either by telephone or e-mail. This may depend on the severity of the problems identified"* (SPRAR auditor).

*5.2. The CAS: accounting as a technology of ignorance*

Contrary to the SPRAR, the CAS was first introduced by the Ministry of Interior through a legislative decree in 2015 as a response to the refugee crisis (legislative decree 142/2015, art. 11). The decree established that, in case of a shortage of space in the SPRAR, the prefectures had to find an alternative "temporary accommodation". As a rule, each prefecture needed to issue a public call-for-tenders when outsourcing the reception to third parties. These third parties could be private for-profit or non-profit actors. However, contrary to the generally applicable procurement rules, the decree also authorized the territorial prefectures to award the reception contracts through direct assignment i.e. the prefecture could select the third parties and directly allocate the funds and the migrants. At times, the prefectures made these decisions with the involvement of the municipalities that could indicate places available in their territories. On other occasions, the prefectures made these decisions without their intermediation, thus creating a strain in their relations with the local authorities. Indeed, the municipalities often complained that they were hosting many immigrants through SPRAR and the prefecture was putting additional pressure on them and their territory through CAS:

*Some have been in the SPRAR for 10 years, and then the Prefecture insists to them [the municipalities] to open new places because of the emergency and everything else [...] they complain ‘‘how can you continue to ask us when the municipalities next door do not make available any place?”.* SPRAR auditor

In case a prefecture decided to issue a public call for tender, it could still exercise a certain discretion in defining the ‘weight’ of the two formal criteria for awarding the contracts, i.e. the rate and the technical proposal. With respect to the rate, in 2011, the Italian Government decided to standardize the bidding rate, requiring the prefectures to renegotiate contractual relationships with host organizations using, as a parameter, the average unit cost of the projects managed by the SPRAR[[1]](#footnote-1) (In Migrazione SCS, 2018).

While 35 euros was a suggested benchmark, the prefectures used their discretion to award the contracts at a slightly lower or higher rate. In some cases, the contracts were awarded at 30 euros, as it was the case in the southern city of Lecce, in others, for example Isernia, a city in the south of the country, the contract was awarded at 42.86 euros (In Migrazione SCS, 2018). The technical requirements of each prefecture also varied. Some demanded more services from contractors than others. However, since the CAS was conceived as an emergency solution, the prefectures, in general, required the contractors to provide for the basic needs of the immigrants. These included accommodation, food, necessary healthcare, and legal support, and a pocket money of 2.50 euros per day per each immigrant.

Once the contracts were awarded, the prefectures allocated funds exclusively based on the number of immigrants hosted in the centre. Compared to the SPRAR where a strict system of control and financial accountability was in place, in the case of the CAS, the simplified system alleviated the need for collecting detailed information through budgeting and financial reporting system. The host organizations reported information on the immigrants they were housing on a monthly basis and raised an invoice according to the per diem migrant rate decided between the prefectures and the host organization:

*I communicate to the prefecture ‘I have hosted 26 migrants for 30 days’. So, 26 multiplied by 30 multiplied by 35 euros per day and they gave me the money, that’s it. I was only supposed to provide the signature of the migrants for the pocket money.* (Manager of a non-profit organization)

While the prefecture could make surprise visits, there was no basis for them to ascertain the actual use of the funding as the host organization never made a commitment for individual expenses in the first place. A manager of a non-profit organization explained:

*They came to do a surprise inspection. They visited the apartments where the migrants were staying, they checked the cleaning, that the rules were displayed, that there was the register of the presences with the signatures, and they asked for the certifications of the maintenance facilities, that’s it* (Manager of a non-profit organization)

The centres that went under the umbrella term of CAS were variegated and ranged from local hotels with low occupancy to centres managed by non-profit organizations, who would even use old and abandoned buildings to house the immigrants: *"Unfortunately, it has become a business and so there are those who improvise and open reception centres, dormitories and squeeze people in, often without proper housekeepers...instead employing retired former policemen as guards, etc."* (President of a non-profit organization).

In many cases, the prefectures gave the possibilities to host up to 300 migrants with the result that many managing bodies organized the reception in large centres to reduce the costs. In this respect, the manager of a non-profit organization explained that they had organized the CAS in a large centre, but they felt that this solution was not giving a dignified reception to the migrants, hence they decided to organize the CAS in small apartments, like their SPRAR counterparts. However, this decision had important implications for the sustainability of their organization:

*We have always managed with this rate [35 euros], we have invested in our employees, we were also able to pay quite expensive training programs. But it is becoming more complicated now with the apartments because we need to pay all the rents, the bills, the utilities of 8 apartments. It becomes more difficult, expenses are higher than if you have only one structure. . .also the prefecture has no immigrants to allocate at the moment, so we have 4 spare places and an empty apartment but...I cannot cover my expenses...if other immigrants don’t arrive it becomes problematic...no matter the number of immigrants I need to pay the rent...I need to pay the salaries* (Manager of a non-profit organization)

The structural limitations of CAS opened the doors for corruption and mismanagement. CAS was being highly criticized by civil society organizations and by the Anti-Corruption Authority that accused the prefecture of using too lax a criterion for selecting organizations to host immigrants. In this respect, the report issued by the ad-hoc Parliamentary Commission noticed how "pseudo-entrepreneurs in the sector, taking advantage of a permanent emergency management, were able to win tenders, especially for the opening of extraordinary reception centres, which, despite their name, still represent two-thirds of the whole host system".

One reason for this mismanagement was the large discretion given to the prefectures in the distribution and allocation of immigrants. For instance, the Anti-Corruption authority denounced that, in a one-year timeframe, in the Campania Region, 67 contracts of the value of 55,441,785 euros were awarded to third parties through a direct assignment without checking their legal and professional standing (Delibera n. 1308 del 14 dicembre 2016). This arrangement with a distinct ignorance about spending details and quality of the services opened floodgates of corruption and poor immigration management. Commenting on the CAS, the Council of Europe concluded:

*The differing standards in reception facilities in Italy is a cause for concern and the failure by the authorities in many areas to supervise the execution of management contracts leaves scope for operators to save money by cutting back on the contracted services. The large sums of money at stake create an obvious incentive for corruption. As a result, the management of reception facilities has become a real opportunity for unscrupulous operators* (Council of Europe, 2017)

For private and non-profit organizations, managing the centres became a business opportunity. Reported profits (surpluses) of 45 most important non-profit organizations working for the reception of refugees and asylum seekers rose from 3.4 million euros in 2015 to 6.5 million euros in 2016 (Il Giornale, 2017). More importantly, profits became inversely related to the production of knowledge (Zuniga, 1998) and directly linked to the diffusion of corruption. In a wiretapped conversation, a corrupt public officer explained the profitability of the CAS compared to the SPRAR and how, based on the calculation of this profit, he defined the bribe per migrant:

*In the SPRAR, the [profit] is low, there is almost no profit. In the others (the CAS), there is more profit... then you have to see how much do you pay for the rent and you can manage to make a profit of 21 per cent ... then we can agree on 0.80 to 1 euro and a half [per immigrant]. I told them that these other [non-profit organizations] are giving me 1 euro and a half [as a bribe per immigrant] and ... another gives from 0.80 to 1.50 euros ...we made the calculations [and agreed on] around 15–20,000 euros per month* (pre-trial detention order, Mineo corruption scandal).

The narratives of our interviewees confirmed this marriage between ignorance and profit. As a result, in a single year, 2600 charges were filed to the Anti-Corruption Authority about irregularities in the management of these reception centers (ANAC - The Italian Anticorruption Authority, 2016). Furthermore, in the period from 2013 to 2018, 17 corruption scandals became the target of intensive media attention (see Table 1). These cases included claiming funds for migrants who had already disappeared but whose names still appeared in the system (The Guardian, 2018), converting children accompanied by families to unaccompanied children thus claiming a higher per capita fee (Espresso, 2014) and making fictitious ‘cash payments’ in the guise of daily allowance to migrants (La Repubblica, June 2017) etc.

In another corruption case, the non-profit organizations bribed the officials to ensure a continuation of ignorance and profits, at times to the tune of 5000 euros of bribe to relevant officials to ensure that the centres continued to get the ‘business’ from prefectures and local government officials. In an interesting wiretap, the members of the criminal organization involved in the Mafia Capitale Scandal claimed that they were *"buying half of the prefecture of Rome"* (La Repubblica, December 2014) to win the tenders for the management of the CAS. In this respect, a participant commented on the system of controls in the CAS as follows:

*I think it is easier to cheat in the CAS, if one wants to profit out of immigrants. It is because of bad controls...also, the services that you offer...for instance, the meals. We give the migrants X amount of euros to buy the food [alternatively] if you have a centre of 500 people and you pay an external canteen the costs become lower [...] if you put 300 guys in a room like this, the costs become lower [...] On the contrary, in the SPRAR, everything is traceable, all the expenses are justified [...] and then the responsibility for the project also lies with the municipality [providing a further layer of control].* (Social worker of a non-profit organization)

The numerous corruption and fraud cases encouraged the intervention of the Anti-Corruption Authority which, commenting on one of these cases, suggested the introduction of an automatic system for the detection of immigrants’ presences (parliamentary audition of the Anti-Corruption Authority, 18 May 2017; Delibera n. 1308 del 14 dicembre 2016). On the same matter, the Court of Audit commented as follows: *‘‘from the answers provided by some prefectures, we have found that the accounting and non-accounting data are not always reliable”* (Court of Audit, 2018). In addition, the Court noticed that:

*the daily cost per capita reported for each migrant for the year 2014 was 50.39 euros. In the year 2015, it fell to as low as 21.87 euros. The data provided by the financial auditors suggested that the daily per capita expenditure should have fluctuated from a minimum of 30 euros for 2014 to a maximum of 35 euros for the year 2015. This inconsistency is symptomatic of an accounting disorder* (Court of Audit, 2018)

Along the same lines, in 2016, the Anti-Corruption authority also observed that the contracts negotiated by the Ministry of the Interior with relevant third parties "lacked specific details necessary for controlling the behavior of these third parties" (Deliberation n. 803 del 20 July 2016).

*5.3. Ignorance and its functionality*

The above analysis shows how ignorance was an ingrained feature of the accounting system used in the CAS and how this, in turn, paved the way for corruption. This section explores the multiple functions played by the ignorance thus produced and the resulting ‘public benefit’ for a fragmented State with variegated objectives.

Despite the complete knowledge about the high permeability of the emergency-based CAS to corruption and lax immigration control, the Ministry of Interior never took concrete measures to replace the CAS with the SPRAR. Since the 1990s, when Italy started to become a popular destination for immigrants, the successive governments had mainly adopted an emergency-based approach to immigration. Despite claims about the willingness of the Ministry of Interior to invest in the SPRAR as the only reception system for refugees and asylum seekers (Ministry of Interior, 2015a), the numbers of immigrants hosted in the CAS are on the rise as compared to SPRAR.

For example, in 2015, 70 per cent of the total asylum seekers and refugees were housed in the CAS (Ministry of Interior (2015), 2015). In the next two years, there was a 300 per cent increase in the CAS’s numbers compared to a meager 50 per cent in the SPRAR. Accordingly, in 2016, only 260 million euros were allocated to the SPRAR system while the budget for the CAS system quadrupled to a colossal 1.7 billion euros (Quotidiano, 2017). Furthermore, while the CAS had been established as emergency facilities for a short stay (legislative decree 142/2015), many asylum seekers would end up spending 2–3 years in the CAS waiting for the final decision on their asylum request (Cittadinanza attiva, Libera, LasciateCIEntrare, 2016). Thus, ‘‘the inefficiency of the policies implemented to stop irregular immigration seems to be an ingrained feature rather than an accidental outcome” (Di Martino, 2013).

Indeed, the continuation of two paradoxical systems, one creating knowledge, the other ignorance, seemed to perform some critical functions for the Italian state faced with a myriad of internal and external constraints. This ignorance often served a political interest:

*In Italy, everything is considered an emergency. In fact, this word is an excuse for doing things quickly. This need of an ‘emergency’ system is a bit of lie. It’s true there were so many arrivals, but many were predictable [...] If there was political intent, a different political vision ... we could have done more for immigrants... I mean, the Ministry takes months to respond to the SPRAR call...* (President of a non-profit organization)

To begin with, the pretence of keeping a system, no matter how porous, allowed the government to claim compliance to international rules while preventing it from the problems arising out of a system that produces complete knowledge about immigrants. For example, the Dublin Convention obliges immigrants to apply for asylum in Italy, being the first safe country of arrival. This obliged the Italian state to take full responsibility for immigrants’ health, education, accommodation, and integration. The consequent high economic and political costs were perceived ‘unbearable’ by the central government and the local authorities partly due to the poor economic health of the country. Immigrants were also aware of the sluggish state of the Italian economy and its consequent implications for them. Thus, the country became a geographical space that they had to cross to enter more prosperous European countries with better life-chances on offer. For instance, an asylum seeker explained to us during the interview how his friends could easily leave the country:

*Most of those that came with me escaped from Italy... they managed to go somewhere else...[Yes] there are ‘controls’ but ... if you are lucky, you can take a train [and go elsewhere] ... there are some controllers [on the borders] that really have a heart and when you tell them ‘I don’t want to stay in Italy’ they let you go.* (An asylum seeker)

The lax system prevented positive identification and documentation of all immigrants, allowing them the space to flee into neighbouring countries, creating a win–win for both immigrants and the Italian state (Fabini, 2017). As a result, during 2014–2015 "almost 180,000 migrants out of the 320,000 that landed in Italy – most of whom had not been identified – crossed the country to apply for international protection in the other Member States" (asyliumlawdatabase. eu). During this period, municipalities had complete knowledge about their lack of knowledge about flows of immigrants leaving the country in violation of the Dublin Convention. Commenting on this ‘type’ of immigrants, one of the interviewees noticed:

*This is an emergency reception, in the sense that they are transiting people who do not stop in Italy. So, they are not reported, are not recognized, they are the so-called ‘‘transiting immigrants” who stop just for a few days to rest, to dress, to recover.* (Interview with an Immigration Consultant in a municipality, 2015).

However, some municipalities and non-governmental organizations did not have an interest in knowing the unknowns and were instead protecting immigrants from control mechanisms to give the possibility to the immigrants to reach their preferred countries. For instance, in addition to the SPRAR and the CAS, new type ad hoc reception centres were also being established by the municipalities to host unidentified immigrants. These ad-hoc centres provided the immigrants a place to stay for a few days before they continued their long journeys to other European countries. Hence, the ignorance produced on the matter by these municipalities was not an incidental outcome but a strategic ploy to govern i.e. to control the conduct of immigrants.

Our interview with a cultural mediator of a non-profit organization described this paradoxical situation:

*There are people who suffer from serious diseases [...] but they try to hide these diseases. Why do they hide these diseases? Because they think that if they tell us about these diseases...maybe this requires a hospital stay. They think that, if they go to the hospital, there will be the police that identifies them and then they will be forced to remain in Italy.*

European union realizing the ramifications of these ‘loose’ immigration controls forced the Italian government to establish ad hoc reception facilities for registration, identification, fingerprinting and debriefing of immigrants (European Commission, 2016, p. 5). As a result of this European intervention, the proportion of immigrants’ fingerprints stored in Eurodac rose from 36 per cent in September 2015 to 87 per cent in January 2016 (European Commission, 2016).

Nonetheless, knowledge about immigrants and their reception produced through the SPRAR was often perceived by municipalities as inconvenient:

*The question that needs to be asked is: why the SPRAR is not acceptable to political office holders? Because basically, in this case, the mayor takes on a political responsibility. It is a voluntary decision to welcome the immigrants in the territory... whereas, in the case of the CAS, it is the prefecture and the third parties who takes responsibility for the immigrants.* (The Refugee and Asylum Seekers Manager of a non-profit organization)

Political constraints were also at play. Accepting immigrants was an unpopular choice for most of the governors, especially in northern regions of the country[[2]](#footnote-2), given the widespread narrative of immigrants’ ‘invasion’ associated with fear of Islamic terrorism. In the words of the populist anti-immigrant party leader and newly elected Minister of Interior, Matteo Salvini: "We are under attack. Our culture, society, traditions and way of life are at risk [...] Centuries of history risk disappearing if Islamisation, which up until now has been underestimated, gains the upper hand" (The Telegraph, 16 January 2018). Accepting SPRAR projects would have created a knowledge about the Mayor’s office taking on the responsibility of handling the reception of immigrants. On the other hand, keeping it a private affair between non-governmental entities (commercial and non-profit organizations) and the Ministry of the interior through the CAS provided them with strategic ignorance.

Knowledge created a similar set of economic and political problems for the Ministry of Interior. The Ministry was grappling with a complex socio-political scenario at home while dealing with external pressures coming from the EU and international institutions. In this respect, the governance system implemented by the Ministry of Interior for immigrants’ reception allowed a fragmentation of responsibilities and ambiguity of accountability obligations. Indeed, both the systems, SPRAR and CAS, were quite similar in a fundamental way. Both involved delegation to local authorities and outsourcing to private parties of functions which were traditionally considered as the responsibility of the central government, such as dealing with emergencies and immigrants. This issue had been often raised by European Institutions:

*Because the implementation of the funds is based on a very decentralised system that involves regional authorities and NGOs, there is excessive use of sub-contracting, which leads to a fragmentation of resources which becomes difficult to track. The result is, therefore, a low level of accountability regarding how resources have been spent* (Hausemer et al., 2015)

Along the same line, the Court of Audit commented that "in the framework of a participated territorial governance, the controls and monitoring by the Ministry of the Interior appear to be insufficient" (the Court of Audit, 2018, p. 16). This participated territorial governance, however, reflected the modern-day neo-liberal philosophy of shrinking the governments and expanding the role of private sector to even provide those services which were once considered ‘public goods’, health, education, safety, emergency relief, etc. This outsourcing of public functions to private actors came with a belief that private sector businesses and non-profits are more efficient than the State in providing these services (Stiglitz, 1989). It also allowed central government to avoid blame when something went wrong (Hood, 2007; Hood & Jackson, 1992; McPhail et al., 2016). Analogously, in this case, the Ministry of Interior appeared to be endowed with limited power, just a funder of these services, with risk and liability related to the management of the centres ultimately resting with non-governmental organizations and local governmental actors supposed to have complete knowledge about the immigrants and the services provided to them. The following complaint made by the municipality for having been ‘abandoned’ by the central government expressed this point clearly:

*We [the municipality] were in a paradoxical situation. We were receiving the money from the central government to handle the emergency and yet there was no responsibility being taken by the Ministry of Interior for managing the emergency. . .I mean a complete ignorance of the issue... It was like the Minister of Interior was saying "we have some excess money so we are giving it to you...otherwise we do not want to know or assume any responsibility"* (Interview with an Immigration Consultant in a municipality, 2015).

Lastly, knowledge would have made the Ministry responsible for the health and well-being of the immigrants, while ignorance provided an escape from the human rights obligations (McPhail et al., 2016) toward international institutions such as the European Court of Human Rights (ECtHR – Tarakhel v. Switzerland, Application no. 29217/12), which otherwise would have kept a very close eye on the human rights of immigrants (ECtHR – Hirsi Jamaa and Others v Italy, Application no. 27765/09). Through this decentralized form of governance, the Ministry of Interior could transform immigration into a local issue ultimately to be addressed by municipalities and non-governmental actors.

The territorial offices of Ministry of Interior, i.e. the prefectures, had a partial power to gain some knowledge about the use of funding and the conditions of the immigrants despite the inherent limitations of the CAS. But, the prefectures had also interests and ‘good’ reasons for not acquiring this knowledge. As explained above, the prefectures had discretionary powers in awarding contracts to non-governmental actors, including the power to directly assign the contracts and/or to define the technical details of the contract. In this respect, a scrutiny of the public calls issued by the prefectures across the territories showed a variety of approaches reflecting the choices of some prefectures to (not) control the delivery of the services (In Migrazione SCS, 2018). The ignorance produced through the CAS was at times strategically used by these prefectures to further and conceal their own (corrupt) interest in the immigration business: "we did ‘dirty business’ [on migrant reception], but only when we could do it" (Prefect of Padua).

The peculiar combination of knowledge (in the SPRAR) and ignorance (in the CAS) and the ‘laissez-faire’ governance system was thus serving multiple interests. It was serving the interests of the central government and of some municipalities who wanted to ‘govern’ the immigration by making it appear as a (un)governable phenomenon. It served the private interests of the corrupt who were benefiting from control failures. Lastly, this system of lax control and ignorance served the interests of those immigrants who wished to leave Italy to reach other countries.

During the years 2014–2017, the situation remained largely unchanged. However, the ignorance produced by the accounting system in place in CAS attracted severe criticisms from the Italian Court of Audit:

*This situation raises questions about the credibility of the accounts maintained by the local government offices. They do not appear to be able to obtain reliable financial data about the daily costs incurred for the management of the immigrants’ reception system. The Ministry [of Interior] must address this problem to ensure that accounting and reporting rules are observed by the local authorities, and there are sufficient checks in place to ensure the supervision and inspection of the activities of private entities receiving public contributions* (The Court of Audit, 2018)

It was only under a changed political regime that the pressures exercised by the Court of Auditors, the Anti-Corruption Authority and the media led to an important change in the CAS in 2017. The Minister of the Interior and the Minister of Finance introduced new and more detailed specifications for the procurement contracts, thus reducing the discretionary power of the prefectures in the design of the calls for public tender. While the funding was still on a per capita basis, the new rules also required the CAS operators to provide complete accounts of expenditure with supporting evidence (Legislative decree 18 October 2017).

However, in 2018, there were further changes in the reception system. The newly elected right-wing government issued a legislative decree restricting the access to the SPRAR to only those refugees who have already been given asylum. This provision will result in a downsizing of the SPRAR and a further expansion of the CAS as all asylum seekers will now be hosted in the CAS. This approach suggests a lack of a political willingness to transform an ‘emergency’ into a long-term social problem that needs to be addressed on a long-term and sustainable basis.

Interestingly, this further expansion of the CAS has also been accompanied by a decision to reduce the bidding price from 35 to 20 euros: "Those who saw immigration as a ‘grazing ground’ today are on a diet. Mafia, ’ndrangheta, and pseudo-non-profit organizations will not find it more convenient to take care of immigrants. Only true volunteers will work in the world of hospitality and social care" (Salvini, Minister of Interior, La Repubblica, November 2018). However, as long as the incentives for various government entities to produce ignorance remain intact, we suspect that these measures will not get the desired results.

**6. Discussion**

The (mis)use of accounting by powerful corrupt actors to conceal their private interests under a veil of compliance has been extensively debated (Roberts, 2015; Sargiacomo et al., 2015; Sikka & Lehman, 2015; Lehman & Thorne, 2015). An extensive literature has also shown the power of accounting in making certain things visible and enables control (Catasus, 2008; Morgan & Willmott, 1993), thus preventing corruption (Neu et al., 2015). These studies have unveiled how the knowledge produced through accounting can be used to control the (mis)use of public money and to govern territories and populations with attendant consequences for immigrants’ identities and public servants’ behaviour (Lehman et al., 2016; Agyemang & Lehman, 2013; Harney, 2011; McPhail et al., 2016). However, as compared to knowledge, relatively less importance has been given to the role accounting plays in producing ignorance (Roberts, 2017). Our study unveiled the role of accounting both as a technology of knowledge and ignorance and its implications for corruption. It showed that control can also be achieved through the production of ignorance and that certain accounting systems produce ignorance by design, hence they can be purposively used to achieve multiple interests (Morgan & Willmott, 1993; Wildavsky, 1992). In the case under consideration, ignorance partially produced through accounting served variegated objectives of the State with corruption becoming a collateral damage to achieve a greater ‘public’ benefit.

In the context of the recent refugee crisis, knowledge and ignorance were achieved by the Italian state by deploying two types of reception system, the SPRAR and the CAS. The SPRAR worked on a traditional governmental budgeting system with detailed line item budgets submitted by non-governmental parties and approved by local authorities and central government (Wildavsky, 1978). It produced knowledge about the nature of expenses and their purpose. By implication, it also made known the establishment (e.g. number of employees and their salaries) which is necessary for the concerned organization to carry out the designated services. The detailed nature of functional expenses also produced knowledge about the quality of services to be offered to immigrants. This knowledge produced through the accounting system allowed the State to know about the immigrants in these reception centres as well as the facilities that they were getting. The SPRAR was thus a process-based accounting system where the State was getting knowledge about the entire process and system involved in delivering service to immigrants. This system, by design, also lent itself easily to financial audits, which was an additional mechanism of producing knowledge through the system.

The CAS, on the contrary, worked on an output-based accounting system (Agyemang, 2010; Hood, 1995, 1991; Lapsley, 2009; Lapsley & Pallot, 2000), which produced ignorance rather than knowledge. In spite of the different services provided in the SPRAR and in the CAS, the Ministry of Interior had established the cost required to ‘take care’ of one migrant in the CAS on the basis of the average cost incurred for each migrant in the SPRAR projects. Developing a ‘per unit cost’ and funding non-governmental parties based on a ‘number of units’ of services delivered by them is an approach followed by many Western states to fund hospitals, schools, and prisons (Lapsley, 2009). This approach entails a basic premise. The private parties know best to provide the services (Hood, 1995). The State does not need to know these details and instead should reimburse the private parties on the basis of outputs.

This type of funding and accounting system has been introduced in the context of new public management reforms with the aim of improving the allocation of resources and budgetary decision-making, enhance accountability and transparency, and achieve cost savings (Pollitt & Bouckaert, 2004). However, these aspirations have rarely been actualized, especially in contexts where corruption is endemic (Lodhia & Burritt, 2004). In such contexts, the introduction of public sector management reforms emphasizing output-based accountability over process accountability provided the potential for financial mismanagement, thus hampering the success of these initiatives. Manipulation of results is more likely to take place when a focus on ‘due process’ is lacking. Furthermore, managerial discretion can easily pave the way to clientelism and patronage, especially when not accompanied by audit capacity (Webb, 2010). Similarly, increased managerial autonomy and reduction of political control can have the counter-effect of fueling corrupt practices by politicians in an attempt to regain the lost control over policy implementation (Tambulasi, 2007). Recent public sector accounting reforms have thus often perpetuated corruption rather than curbing it (Lehman & Thorne, 2015).

In the case under examination, ignorance was an inbuilt feature of the accounting system and of the CAS. By adopting this accounting system in the CAS, the Italian state accepted that it did not need to know the process through which the services were delivered to immigrants and by implication their quality. Ignorance about the (mis)use of public money was indeed another unknown that came out of CAS. The CAS incentivized the adoption of an "accounting logic" (Agyemang, 2016) which transformed immigrants into cost objects thus fueling political contestation on ‘how much each migrant is costing to us, Italians’; and at the same time converted them into a profitable business for private organizations. Thus, accounting practice inherent in the CAS played an important role in fueling corruption.

Furthermore, the institutions and organizations, which were required to keep the behaviour of private parties in check in these situations, were often either absent or were unwilling to act due to political and economic constraints (see Table 3). All governmental actors had to deal with the political cost of receiving the immigrants and integrating them in a social environment characterized by an irrational fear of the ‘others’ (Di Ronco & Lavorgna, 2018). These institutions were also under strong economic constraints, the government due to the need of keeping the public deficit under control and the local authorities due to budget restrictions. A primary assessment suggested that initial registration and management of immigrants would cost around 10,000 euros per application every year for the Italian economy (OECD, 2017). If all immigrants were registered in the system, it would have caused a substantial increase in public expenditure, budget deficit and ultimately public debt. "Awaiting a common European policy, Italy will, therefore, continue to support a burden of more than 0.25 per cent of GDP for the management of the Union’s external frontiers" (Ministry of Economy and Finance, 2018). The rising public debt figure, in turn, would have attracted further criticisms from the same European institutions that were asking Italy to create better migrant control systems (Dullien, 2016).

In 2016, Italy required and was granted by the European Union an adjustment towards the Medium-Term Budgetary Objective (MTO) given the expenditure incurred because of the extraordinary influx of immigrants (Ministry of Economy and Finance, 2018). The adjustment was quantified in 0.16 percent of GDP, i.e. 2.8 billion euros, "corresponding to the difference between the overall costs incurred in relation to the refugee crisis in 2017 and the average over 2011–2013 (0.06 per cent of GDP), before the crisis intensified" (European Commission, 2017, 16). The total expenditure for the immigration crisis had indeed grown from 898 million euros prior the crisis to around 3.8 billion euros (net of European Union contributions) in 2017 with around 64 per cent of expenditures incurred for the reception system. There could be some economic benefits of migration inflows in the long-term but in the short run, the spending on immigrants in the absence of substantial support from the European institutions was exacerbating the already vulnerable econimc situation of the Italian State (Ministry of Economy and Finance, 2019).

The ignorance ingrained in the immigration reception system was thus aligned with the interest of the State in addressing these constraints and its limited power to deal with them. Dispersed responsibility became an ingrained feature of the reception system and created those cracks through which financial and immigration control was continuously falling. The coexistence of the SPRAR and the CAS, which appeared like an empirical puzzle; through our retroductive analysis, came out as a solution to the Italian State’s multiple objectives. It not only prevented the State from obtaining the un-wanted knowledge; the unclear responsibilities, blame games and bureaucratic complexity generated through the dual system offered the State with much needed plausible deniability (McGoey, 2012). In this process, corruption consisted in a (mis) use of public funds for ‘public’ gain. The dispersed responsibility indeed gave individual institutions of the State plausible deniability about the ‘strategic’ aspect of the ignorance produced through CAS. In this respect, our case offered an example of how accounting systems can strategically serve ‘public’ interest while offering plausible deniability to State institutions. Given the media coverage of the multiple corruption scandals in the CAS, the government could not claim a genuine ignorance about public money going to private hands through corrupt practices. Yet the CAS produced the much-needed ignorance for different State entities and institutions. The conversion of the CAS into the SPRAR would have made the State liable for looking after all those immigrants who were now secretly crossing the borders over to neighboring European countries, for the basic health and welfare facilities offered to immigrants while they were at reception centres and for the corruption taking place at these centres. Thus, our analysis showed how corruption can be a coincidental byproduct of strategic ignorance serving ‘public’ benefit.

**7. Conclusions**

A cursory look at modern political history shows that there aren’t many things that States have not done (Jessop, 2008) including, at times, ‘strategic’ ignorance about the behavior of population that States generally opt to regulate (Marquardt, 2016). This ignorance about, for example, environment, physical or social security of weaker social groups can serve various State interests. If the benefits outweigh the costs, States always have the option to produce knowledge about its previously left blind-spots. Tax and immigration amnesties are such examples where the States try to regulate by getting knowledge about previous unknowns. But ignorance can also be genuine (Marquardt, 2016). At times, States have to deal with the economic, political and social crisis of a magnitude, where they do not have enough knowledge to govern a phenomenon. For example, a large-scale immigration crisis can entail genuine unknowns.

While making our analysis, we thus acknowledged two important issues. First, while highlighting the ‘strategic’ function of ignorance for the fragmented Italian state, we were very conscious of the genuine ignorance produced in the process of modern-day States handling such large-scale crisis (Hood & Jackson, 1992). A degree of genuine ignorance was a constitutive element of the phenomenon. Furthermore, the modern States comprise of multiple departments and institutions with no direct lines of communications, thus producing genuine ignorance (ibid). The Italian state is no exception to the rule. It is not a monolithic entity, where we can attribute to it actions, like ignorance, as part of a grand state design. The Italian state was also a site where political contests were played out to determine its objectives. For example, while a few leftist-leaning regional governments were trying to articulate an alternate definition of public interest, these articulations were marginalized against a powerful right-wing anti-immigration discourse. What was thus considered as public interest was a subjective construction, which had acquired an objective and hegemonic status at the time of the recent refugee crisis.

In light of these considerations, our analysis identified critical realism as a methodological alternative which calls researchers to go beyond the surface of empirical phenomena to unreveal deeper understanding of the reality before us (Modell, 2017). By using retroduction as a primary mode of inference (Bhaskar, 2009), the study uncovered the structure and mechanisms generating the peculiar combination of lack of immigration control and corruption in the Italian context. Ignorance of relevant actors partially produced through accounting and serving multiple objectives was identified as the most plausible real ‘cause’ of these events in the empirical domain. However, in line with the critical realist view on validity (Zachariadis et al., 2013), it would be problematic to conclude that the relationship between irregular immigration, corruption and ignorance as described in our study can be empirically generalized to other cases. We cannot rightly conclude that analogous events of corruption can be explained as manifestations of the same mechanisms that we uncovered here insofar as there are always contingent and contextual conditions at place (Modell, 2017, 2019).

At the same time, the study makes a claim for theoretical generalization (Yin, 2005; Eisenhart, 2009). Our ‘theoretical inference’ (Davies, 1999), i.e. ignorance led to corruption strategically serving multiple interests of a fragmented State, offers a refined conceptual understanding of ignorance as theorized by previous studies (McGoey, 2012; DeNicola, 2017; Proctor, 2006; Rappert, 2012) which can account for other multiple cases when used in reflective interaction with specific contexts. Future studies can thus further expand or challenge this theorization by, for instance, investigating how genuine ignorance interacts with strategic ignorance in manufacturing the ‘public’ interest.

Furthermore, the study unveils the emancipatory potential of critical realism and its contribution to critical accounting research. Causal explanations are rarely mobilized by accounting scholars to explain social reality (Modell, 2017; Lukka & Modell, 2010). Yet, causal-explanatory methods, such as retroduction, are essential to bringing about a change. By identifying the mechanisms, structures and agential responses that are generative of financial and immigration mismanagement in the context of the recent refugee crisis, this study helps social actors to envision alternative (accounting) practices that may contribute to curbing corruption and emancipate vulnerable people, such immigrants, from exploitation. In this respect, our study did not aim at "a grand unveiling of unobservable causal factors" belonging to "an invisible and intransitive domain of reality" (Baxter & Chua, 2019). Multiple mechanisms and causal powers might be at play that we were not able to fully observe and problematize (Modell, 2015), yet our retroductive analysis helped us to tease out some of the structural and agential conditions ‘causing’ the coexistence of two phenomena, i.e. corruption and irregular immigration.

Reworking the structural conditions at play is thus crucial for preventing corruption from happening and stabilizing over time (Modell, 2019). For instance, our analysis shows that scaling-up the SPRAR in place of the CAS can be an effective deterrent to corruption. The substitution of the output-based system of the CAS with the governmental budgeting system of the SPRAR would produce the knowledge about the propriety of the use of public money which, in turn, can activate self-compliance mechanisms and discourage mismanagement and corrupt behaviors (Neu et al., 2015).

In this respect, a first challenge can be the political resistance at the local level. Turning the SPRAR from a voluntary system into an obligatory one risks exacerbating tensions and political conflicts unless accompanied by a substantial change in the narratives around the nature of immigration and its impact. Furthermore, the time to ascertain the refugee status is too long for individual cases while the programs for helping these refugees in their integration are still ineffective. Thus, a reflection on the final aim of immigration policies should be made: what is the aim of this system of immigration control? Are we creating spaces of exclusion or new spaces for a more effective integration?

A second challenge concerns the economic potential of the Italian state to deal with an issue of this magnitude. As things stand, the tight fiscal controls imposed by the EU do not leave the central and local governments with much space for action. A third challenge lies in the limited managerial capacity to address a crisis of such proportions. The multitude and complexity of controls, data and resources required make the management of unauthorized immigration a difficult task to achieve, especially within a neo-liberal oriented governance model that downsizes the role of the State to that of a mere finance provider.

We believe that the diffusion of our findings, although related to the Italian context, can also have international relevance. If anything, this study has highlighted not only the shortcomings of the Italian reception system but also the dangerous consequences of the silence of the European Union on the immigration issue. The inefficiencies and flaws in the Italian system of financial and immigration control can also be seen as a form of institutional resistance to the dictates of the European partners. While a revision of the Dublin Convention is underway (EPRS, 2017), not much has been done to design and implement a common European policy on immigration which can give concrete opportunities of integration to the most disadvantaged. As we have shown, the political and economic constraints of the Italian state have played a role in shaping its (dis)interest toward the problem, thus transforming ignorance into a viable strategy to achieve State’s objectives for ‘public’ benefit.

While presenting our policy analysis and recommendations, we are also very conscious of their incompleteness. However, our objective was to initiate a policy dialogue, which will eventually find a solution to the complex social problems of corruption and unauthorized immigration.

**Appendix A. Supplementary data**

Supplementary data to this article can be found online at https://doi.org/10.1016/j.cpa.2020.102147.

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1. At the time, the average SPRAR cost came out to be around 35 euros per migrant per day, distributed as follows: 15 euros, cost of personnel; 11.27 euros, costs for the provision of food; 0.39 euros, cleaning cost; 4.14, euros cost for the supply of basic goods such as clothes and of which 2.50 euros were given as pocket money to each migrant; 4.2, euros additional costs. [↑](#footnote-ref-1)
2. Indeed, in 2015, 2 regions out of the 20, Sicily and Lazio, were hosting 34 per cent% of immigrants (Ministry of Interior, 2015). Governors of the northern regions of Italy refused to endorse plans for an ‘equitable’ distribution of immigrants (Il Fatto Quotidiano, 8 June 2015). [↑](#footnote-ref-2)