

## Immigration and Social Cohesion within the Neighbourhood

### Introduction

With immigrant populations growing in many developed countries and heightened concern for inter-group conflict, social cohesion has become an increasingly critical issue today. Evidence suggests mixed relationships between ethnic heterogeneity and social cohesion at subnational levels, but are relatively consistent in support of a negative relationship for intra-neighbourhood social cohesion (van der Meer & Tolsma 2014). However, the majority of existing studies focus on North America or Europe. Also importantly, most prior studies are based on cross-sectional data, whereas longitudinal data and analysis have only recently been used to further explore such relationships.

In this paper, we use 22 years of panel data from Australia to further test and disentangle the relationship between ethnic heterogeneity and intra-neighbourhood social cohesion. Findings from this study contribute to the ethnic heterogeneity and social cohesion debate, with further evidence at the neighbourhood level that warrants rigorous methodology design.

### Background and theoretical framework

A growing body of literature started to look into the relationship between ethnic diversity and cohesion following Putnam's (2007) "hunkering down" theory. He posited that growing immigration and ethnic diversity would challenge social solidarity such that people would be less keen to interact and have lower social cohesion and satisfaction, at least in the short run. Following Putnam's (2007) talk, a line of research has looked into the relationships between ethnic diversity and social cohesion to test if they are negative at neighbourhood and other geographic scales. Evidence since are mixed but relatively consistent in support of a negative relationship at the neighbourhood level (van der Meer & Tolsma 2014).

Adding to the complexity, and sometimes challenges, of the research is that social cohesion and ethnic diversity both can be conceptualized and operationalized across multiple domains (van der Meer & Tolsma 2014; O'Donnell et al. 2024). In practice, how the two are approached varies by context and also the availability of measures. For cohesion, the majority of studies rely on a smaller set of items to measure either the predictors or effects of certain domains. These items can vary widely to capture the attitudes, perceptions, and behaviours of respondents or their neighbours.

Australia has one of the highest levels and sizes of immigrant populations in the world. Recent statistics show that nearly 30 per cent of the Australian resident population were born overseas, and over half of the population has at least one parent born overseas (ABS 2022). In such a highly diverse society, Australian people's high sense of belonging to the neighbourhood and sense of community are, however, uneven between Australian-born persons and overseas-born immigrants (O'Donnell 2022). Immigrants, particularly those born in non-English speaking countries, reported a lower sense of belonging which may partly be explained by the recency of their arrival.

With increasing proportions of immigrants coming from non-traditional (non-European) backgrounds over the last two decades and a growing share of skilled immigrants, we observe declines in residential segregation between new/recent immigrants and Australia-born persons (Guan 2023). A closer examination of the negative relationship between ethnic heterogeneity and social cohesion is needed. More rigorously designed research and data controlling for unobserved individual characteristics are needed to test if the consistent relationships between ethnic heterogeneity and intra-neighbourhood social cohesion hold, and whether they hold for different population groups. To address the gaps in the literature, we ask the following two questions in this paper:

- (i) How does the level of one's social cohesion relate to the share and distribution of migrants in the neighbourhood?

- (ii) If, and how, do such relationships vary between immigrant and non-immigrant populations?

Here we aim to disentangle several things. One is the different impacts of neighbourhood population composition (the share or diversity effect) and population distribution (the segregation or contact effect) on cohesion. The other is to separate the mechanisms for migrant and non-migrant groups. We also inquire about different measures of social cohesion to see how they differ or resemble each other in such relationships.

### Data sources

To examine the relationship between social cohesion and immigration, we use panel data from the Household, Income and Labour Dynamics in Australia (HILDA) survey and population composition variables from Australian Population Censuses. HILDA is a household panel study started in 2001 and has followed people every year since. There are currently 22 waves of data available, starting from 2001. The Census is conducted every five years and the data are available from the Australian Bureau of Statistics (ABS). The two sets of data are linked by the respondent's geography of residence.

In HILDA, a number of variables fit in the measures of social cohesion across multiple dimensions that capture attitudes, supports, and participation in the neighbourhood and local community. We use eight questions to capture social cohesion.

We conceptualize neighbourhoods on a geography that captures suburbs in cities, known as Statistical Areas Level 2 (SA2). There are 2,473 SA2s across Australia, with a population between 3,000 and 25,000 people. Two types of neighbourhood variables are built on the SA2 level. The first set of variables are measures of immigration in the neighbourhood. The second set of variables are measures of neighbourhood socioeconomic status. We focus on two place-based population characteristics to assess immigrant composition in the neighbourhood: the share of immigrants and the distribution of immigrant versus non-immigrant residents (using the Dissimilarity Index). Considering the different ways the neighbourhood socioeconomic index can be, we examine neighbourhood socioeconomic status using six indexes: (i) four Socio-Economic Indexes for Areas constructed by ABS; and (ii) two Deprivation Indexes constructed in O'Donnell (2024).

### Research methods

We first test correlations between the eight cohesion measures, and examine their over-time changes using population-weighted mean. Then we build multilevel crossed-effect models for persons born in Australia, main English-speaking countries (MESC), and non-MESC to test how neighbourhood immigration characteristics affect a person's social cohesion at neighbourhood and local community levels. The model can be specified as follows:

$$Cohesion_{ij} = \beta_0 + \beta_1 Share_{ij} + \beta_2 Dissimilarity_{ij} + \beta_n X_{ij} + p_i + g_j + e_{ij}$$

where  $Cohesion_{ij}$  is the social cohesion variable for each person  $i$  who lived in an SA2 area  $j$ .  $Share_{ij}$  is the percentage of overseas-born persons living in the respondent  $i$ 's residential SA2 neighbourhood  $j$ .  $Dissimilarity_{ij}$  is the Dissimilarity Index for respondent  $i$ 's residential SA2 neighbourhood  $j$ .  $X_{ij}$  is a set of control variables including age, sex, education, how long the person has been in their current address, how long the person has been in Australia before they move to the current address, if the person has changed SA2 of residence since last wave, and the relative neighbourhood socioeconomic status. In our baseline model, we exclude variables measuring the neighbourhood's socioeconomic status to test their effects.  $p_i$  and  $g_j$  are the cross-level effects for individual respondent and their residential SA2 area, respectively, to control for random effects.  $Cohesion_{ij}$  represents eight different social cohesion measures (see Figure 1 for each of the measures) and we treat them as continuous variables in the model.

## Preliminary findings

The relationship between social cohesion and three neighbourhood characteristics are of the main interest here: (i) the share of immigrants in one's neighbourhood, (ii) the residential segregation in the neighbourhood, and (iii) the socioeconomic status of the neighbourhood. Figure 1 presents the relationship between the eight social cohesion measures and the share of immigrants and residential segregation in the neighbourhood in baseline models. Figure 2 presents model outputs when different neighbourhood socioeconomic status variables are added.

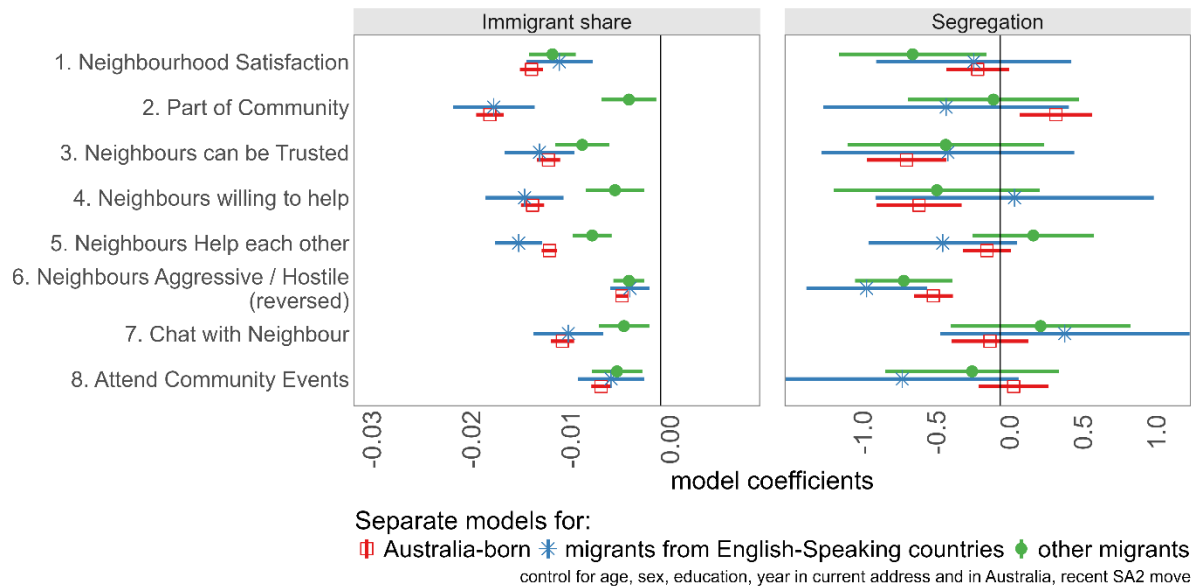


Figure 1. Relationship between eight cohesion measures and immigrant share in the neighbourhood in baseline models with no neighbourhood socioeconomic status variables

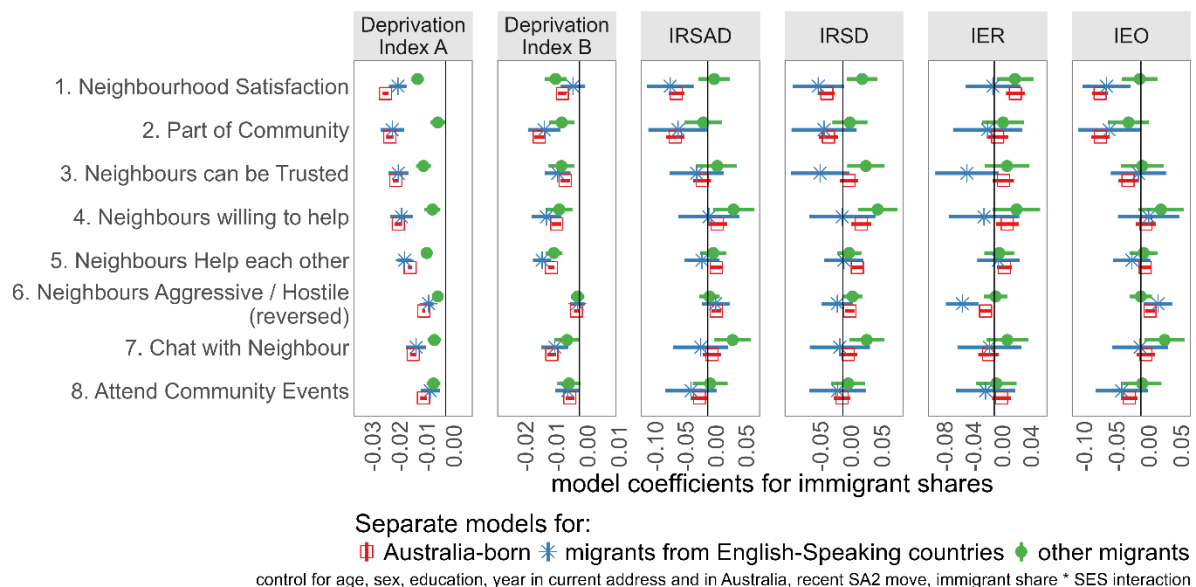


Figure 2. Relationship between eight cohesion measures and immigrant share in the neighbourhood in models with different neighbourhood socioeconomic status measures

The negative relationship between shares of immigrants in the neighbourhood and neighbourhood- or community-level social cohesion is substantiated in Figure 1 before introducing any neighbourhood socioeconomic status variable. This negative relationship holds

for all three population groups and eight cohesion measures. The relationship between neighbourhood segregation and cohesion is less consistent across groups and different measures of cohesion. For immigrants, a higher Dissimilarity Index (higher residential segregation from Australia-born persons) is associated with lower neighbourhood satisfaction and more aggressive neighbours. For persons born in Australia, higher residential segregation from immigrants is associated with lower neighbourhood trust, willingness for neighbours to help each other, and more aggressive neighbours, but higher belongingness to the local community. A higher level of residential segregation can be interpreted as a lower chance for residents to get in contact with someone from an outgroup in their neighbourhood – this is either an overseas-born person for an Australia-born resident or vice versa in our models.

After adding the neighbourhood socioeconomic status variable, the negative relationship between shares of immigrants in the neighbourhood and neighbourhood- or community-level social cohesion holds in many, though not all, cases (Figure 2). The variations in the relationship between the two depend on at least three things as we observed in the full models: (i) how neighbourhood socioeconomic status is measured; (ii) how cohesion is measured; and (iii) the population group of interest.

The largely positive relationship between opportunities for intergroup contact (the opposite of residential segregation) and cohesion disappears for Australia-born respondents after introducing the neighbourhood socioeconomic status variable.

To test the robustness of our findings, alternative variables and models are examined. This includes modelling respondents from a single major origin country, examining additional variables, and testing neighbourhood variables on other geographic levels.

## Discussion

The negative association between social cohesion and immigrant shares and exposures in the neighbourhood and local community are partly substantiated in our models, though several factors seem to differentiate how such relationships unfold. For one, different population groups respond to neighbourhood diversity differently. The negative relationship largely holds for persons born in Australia. While MESC-born immigrants mostly follow the patterns of Australia-born persons, non-MESC-born immigrants can be more satisfied living in neighbourhoods with higher shares of immigrants and less segregation from Australia-born residents. This likely reflects the diverse integration experience for immigrant groups with different recency of arrival. They are not necessarily assimilating into the Australian way of housing and residential choices, but instead, as our models show, can benefit from having immigrant peers around. Social capital for them as a group likely involves immigrant supporting networks or communities as they are more comfortable living with immigrant fellows.

Studies in other countries suggest that the negative relationship between ethnic diversity and neighbourhood cohesion disappears once controlling for the socioeconomic status of the neighbourhood (e.g. Chan & Kawalerowicz 2023). This seems not to be the case in Australia. Though varied by how neighbourhood socioeconomic status is measured, the relationship between neighbourhood immigrant share or segregation and cohesion is still statistically significant in many cases.

## References

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