Cohesion and differentiation in Australia's elite suburbs

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Abstract

Toorak (Melbourne) and Mosman (Sydney) are two of the most affluent suburbs in Australia. The high costs of living and housing in these suburbs preserve their high status. Yet, in recent years the growing presence of wealthy Chinese residents and investors has challenged longstanding Anglo-Australian residents' perceptions of these suburbs as 'European villages'. At the same time as new shared identities are being produced, feelings of resentment and anxiety are also increasingly being expressed through local urban planning conflicts related to density and heritage in residential development. Drawing on theories of 'elite integration', and interviews with 35 residents of the two suburbs, the paper exposes a range of spatial, material and discursive practices through which the Australian elite manages ethnic diversity within its suburban strongholds.

Introduction

In recent years, amounting empirical evidence of historically unprecedented concentration of wealth in the hands of elites (Piketty et al., 2014; Credit Swiss 2016; ABS, 2015) has been at the fore of both public and scholarly debate in Australia and internationally. The concept of elite integration is central to understanding the social processes that enable elites to accumulate and sustain such extraordinary wealth, while suppressing any resistance by the majority of the population. Elite integration concerns the extent to which different members of the elite are able to work effectively together to pursue collective interests, overcoming internal conflicts between different sub-groups or individual members of the elite (Higley, 1979, p. 265). Elite integration is founded on interpersonal networks, a sense of trust, solidarity, mutual access to other powerful people, shared outlooks and values, and sharing of information (Pietsch, 2004, p. 26).

As elites become increasingly diverse and transnational (Beaverstock, 2005), the question of whether and how they sustain an integrated and cohesive front becomes central to understanding the wider question of rising inequality. Examining these processes of elite diversification and integration in at the neighbourhood context or scale can be fruitful in two primary ways. Firstly, the elite neighbourhood is often mentioned as one of several social institutions facilitating elite integration, alongside exclusive member clubs, elite schools, intermarriages and others (Mills, 1956; Encel, 1970; Pietsch, 2004; Gilding, 2004; Campbell, 1963), although has rarely if ever been studied as such in much depth. Secondly, ethnic tensions are often made visible through conflicts related to the social and built character of neighbourhoods (Amin, 2002). The paper therefore addresses the following research question: how is elite integration produced, challenged and sustained in the face of ethnic difference and conflict within Australian elite suburbs[1]?

We open with a review of relevant studies on the concept of elite integration and the dynamics of social diversification within elite networks in both national and transnational settings. We then discuss the geographies of elites, paying specific attention to the neighbourhood scale, and the dynamics of transnational real estate investment. In the main section of the paper, we explore tensions between residents of European descent and Chinese immigrants and investors in two of Australia's wealthiest suburbs, Toorak (Melbourne) and Mosman (Sydney). Drawing on theories of elite integration, and on in-depth interviews with 35 residents of the two suburbs, the paper explores the intricate localised social and spatial order that has evolved through the negotiation of both class and ethnic differences to sustain dynamic but resilient forms of elite integration. We conclude by reflecting on the implications of findings from Toorak and Mosman for theorising the role of neighbourhoods in elite geographies.

Diversity and integration in elite networks

The question of elite integration or cohesion has gathered a long-standing interest in sociology and political science circles. The 'elitist' school depicted the elite as a highly

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[1] In Australia, neighbourhoods are often referred to as 'suburbs' regardless of their distance from the city centre.

concentrated, cohesive network of overlapping elite circles (Dogan, 2003; Cornwell and Doshkin, 2014). Mills's (1956) theory of the 'power elite', for example, focused on white Anglo-Saxon Protestant men (WASPs) in senior institutional positions in government, the military and the corporate sectors of the United States. Mills argued that these WASPs shared the same background of wealth and privilege, belonged to the same clubs, sent their children to the same schools, and therefore formed an intricate web of overlapping cliques (Cornwell and Doshkin, 2014; Quadagno, 2007: 423). In contrast, the 'pluralist' school in elite studies maintained that rather than a single integrated elite, there are multiple, fragmented elites that hold power in separate political and economic domains with a limited concentration of institutional power (Dahl, 1961; Keller, 1963).

Studies of elite integration have since grappled with questions of ethnic diversity within the elite. In the context of globalisation, some scholars have claimed that transnational managerial elites are becoming increasingly disembedded from the local (Castells, [1996] 2009). For example, a recent French study examined cosmopolitanism among members of elite social clubs in Paris (Cousin and Chauvin, 2014). These elite members identified with cosmopolitanism as a form of distinction from lower classes and even from upper class individuals who owe their legitimacy to more strictly national resources. Yet, their transnational networks were exclusively western and white. In contrast, other scholars argue that transnational elites are still embedded in the local (Beaverstock, 2005; Carroll, 2009; Helbling and Teney, 2015; Kaag, 2013). Some theorists insist that elite networks in western countries are still homogeneous and exclusive, dominated by white men in influential positions (e.g. Domhoff, 2005; Kendall, 2008; Useem, 1984). In Germany, for example, Helbling and Teney (2015) found that transnational German elites feel even more attached to their nation and community than most non-elites (Helbling and Teney, 2015).

Other western (predominantly American) scholars insist that the ethnic composition of the elite has changed and is now more mixed (Alba and Moore, 1982; Andre, 1995; Cornwell and Doshkin, 2014; Edling et al., 2013; Gowricharn, 2001; Ogmunsdon and McLaughlin, 1992; Vianello and Moore, 2004; Zweigenhaft, 2001). For example,

Zweigenhaft and Domhoff (2006) found that women, Jews, African-Americans, Latinos, Asian-Americans, and gay men and lesbians are increasingly present in positions of power within the American corporate, political, and military elites. They also found that the newcomers, despite their diverse cultural backgrounds, have internalised values and practices that are similar to those of WASP members of the power elite. Furthermore, Cornwell and Dokshin (2014) found that more socially diverse elites were also more influential.

The changing geography of elite networks

The question of elite integration invites a geographic lens of analysis because of the multiple scales involved, from transnational to local networks and flows. Geographical analyses of social class have typically focused on the middle and working classes, and predominantly in western urban contexts (Dowling, 2009: 833). More recently, however, there has been a growing interest in the geography of the 'super-rich' (Hay, 2013). The spatial lives of the super-rich are still often described predominantly in terms of mobility and flows, rather than place and neighbourhood. The super-rich are often depicted as 'hypermobile', moving weightlessly through global 'fast spaces', and connected to each other in transnational networks, at the expense of local institutions such as the neighbourhood or even the city or state (Short, 2013: 35; Hay, 2013: 8; Beaverstock et al., 2004: 403-5). At the metropolitan scale, the mobility of the super-rich and their settlement in selected 'Alpha Territories' has been associated with the forced displacement of disadvantaged households and communities, but also the displacement of 'old money' with 'new money' which raises more ambiguous moral questions (Atkinson et al., 2017; Forrest et al., 2017).

In geographical analyses of the super-rich, the elite neighbourhood is often reduced to the role of a node in vast global networks of mobility and flows, or a 'playground' for conspicuous consumption by the super-rich (Beaverstock et al., 2004: 405). However, as argued by some (Hanquinet et al., 2012: 514), the rhetoric of weightless hypermobility often "fails to register how stakes in place remain fundamental to contemporary capitalist social relations". Importantly, while most super-rich are presumed to live in elite

neighbourhoods (even if they regularly move from one such neighbourhood to another), the population of these neighbourhoods is more diverse. It includes others who are not super-rich, yet may still be considered 'elites' as a broader analytical category.

The tensions associated with global flows of elites, their increasingly diverse ethnic composition, and their settlement (even if temporary) in particular types of neighbourhoods, are reflected in national and local area conflicts surrounding foreign real estate investment. Real estate investment, especially by Asian new middle-class and super rich investors, is growing rapidly in many global cities and is re-emerging as a key political issue in academic, policy and public debates (Rogers and Koh, 2017; Wong, 2017). Although foreign investment has long played an important role in the Australian economy (Mendelson and Fels, 2014), the extensive media and political debate on the topic is indicative of high levels of public concern regarding this phenomenon. Rogers et al.'s 2017 survey, found that most Sydneysiders see foreign real estate investment as a key driver of house price inflation. These perceptions are heavily influenced by negative images and discourses about foreign, and specifically Chinese, investment in the mainstream media (Rogers et al., 2017). The Australian debates on foreign real estate investment echo those in other Anglo-speaking countries. For example, in Vancouver in the early 2000s mainstream media representations reinforced negative stereotypes of Chinese communities in Canada (Ley and Murphy, 2001).

In public and policy debates in Australia the three terms 'Australian-Chinese' (i.e. Australian citizens), 'Chinese immigrants' and 'Chinese foreign-investors' (i.e. foreign nationals) are regularly being conflated. As Rogers and Dufty-Jones (2015, 230–231) argue, the cultural essentialising of people of Asian appearance who are buying real estate in Australia and the labelling of Australian-Chinese as Chinese investors reinforces the prejudiced discourses in the public debate. Unlike previous studies, in this paper, we examine the conflation of ethnic/cultural tensions vis-à-vis dynamics of social class differentiation and integration.

Toorak and Mosman: context

Contributing to an emerging geographical interest in elite neighbourhoods, our study is focused on two of Australia's most affluent suburbs: Toorak and Mosman. As affluent suburbs that are neither physically gated, nor recently gentrified, these two case studies provide a new perspective to elite geographies.

Toorak is a state suburb in Melbourne, with a population of 12,909 people recorded in the 2011 Census. Established in the 1850s, it has long sustained its status as Victoria's wealthiest suburb (Foster, 1999). In 2016, Toorak's median weekly household income of $2,311 was well above the Victorian ($1419) or national ($1438) median (ABS, 2017). Toorak properties are the most expensive in Melbourne, with a median house price of $3,400,000 (Real Estate, 2016), leading by a substantial margin above any other Victorian suburb. Located on the south bank of the Yarra River, it is only 5km from Melbourne CBD. The majority of the population is Australian born (63.9%). Toorak has a relatively older population, with a median age of 43 compared to the state and national median of 37.

Mosman is a state suburb in Sydney, significantly larger than Toorak with a population of 28,475 recorded in the 2016 Census. Unlike Toorak, Mosman is not Sydney's premier suburb in terms of wealth, and yet it presents very high levels of affluence with a median weekly household income of $2522, almost double the state median of $1486 (ABS, 2017). With a median house price of $3,100,000, it is the 6th most expensive suburb in Sydney (Real Estate, 2016). Located 8km north east of the Sydney CBD, residents of the suburb benefit from its centrality as well as spectacular views of the Sydney Harbour.

Reflecting their central metropolitan location, both Toorak and Mosman are relatively dense Australian suburbs. Approximately 49-51% of their housing stock being apartments, compared to the national average of 13.1% (ABS, 2017). Despite their affluence, both suburbs include a relatively high proportion of renters (34% compared to the national average of 30.9%).

Only a small minority of residents in Toorak and Mosman were born in non-English speaking countries. In Toorak, the largest groups of CALD residents in 2016 were from India (1.8%) and China (3.6%). Their proportion in Mosman was even smaller. Yet, in our interviews in both suburbs, concerns about the increasing concentration of Asian or Chinese residents were a prominent theme, discussed in the following sections.

Methods

Participants for the study were recruited through a questionnaire that was distributed in 2015 to letterboxes in three suburbs of three Australian cities (Mosman, Toorak and Cottesloe). In Cottesloe (Perth) the theme of ethnic conflict was less prominent in interviews, and as such, data collected there was not included in this paper.

A purposive sample of 35 participants were selected for follow up in-depth interviews in Toorak and Mosman on the basis of their survey responses. Most participants were Australian born. A small number of participants in Toorak were Jewish, but none of the participants in the two suburbs were born in China. The sample consisted mostly of 'super rich' and 'moderately rich' participants, representing perhaps several distinctive elites: the owners of large and small businesses; the managerial elite of senior industry leaders; and relatively affluent but less senior workers in the finance industry. Other residents of the suburb who were less affluent or in less senior institutional positions were included too if, based on their survey responses, they were identified as either well connected in elite social circles (e.g. having friends in senior positions) or strongly involved in local urban planning affairs.

The following sections present key findings from the interviews, structured around two primary themes: class and ethnic diversity. We contend that an understanding of the intricate practices of social class differentiation and integration within elite suburbs is an essential context for analysis of ethnic tensions within the suburb. Therefore, the following section is focused on wealth differences in Mosman and Toorak, and highlights the primacy of social class as a defining feature of the two suburbs' identities. We then

move to discuss ethnic diversity, with a particular focus on the perceived threats posed by an alleged influx of Chinese residents and investors in recent years.

Class diversity

Most research participants described the population of their suburb as relatively homogeneous in terms of income and wealth. However, a socioeconomic spectrum was acknowledged ranging between the super-rich and a much larger category of more moderately affluent households, referred to by some as 'upper-middle class'.

Most participants described an absence of lower income households in their suburbs, and attributed this to the high cost of housing and living in both suburbs, including under-provision of public high schools.

> Mosman generally is 'very well to do' down to 'pretty well to do'. There's not a lot of the lower socio-economic challenges that are in other parts of Sydney (Scott[2], Mosman)

Indeed, Census data suggests lower-income households are significantly under-represented in both Mosman and Toorak relative to the national distribution, although are not entirely absent from both suburbs. Furthermore, the presence of lower or even moderate income households is made invisible by the barriers they face to full participation in local social networks and cultural activities. One participant mentioned, for example, the high costs charged for participation in social school events for families. The invisibility of lower and moderate income households is arguably unique to long-established elite suburbs, as opposed to more recently gentrified working class suburbs with a legacy of antagonism between different social classes.

Several participants surprisingly described the perceived homogeneity and absence of lower moderate income people as a form of 'egalitarianism', perhaps in the sense that other forms of social difference and diversity (e.g. ethnicity) become only secondary to economic status:

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[2] All participants named have been replaced with pseudonyms

> Well, it's a very egalitarian community I think…. It's driven largely by
> money. So if you can afford to live here you'll be all right. (Barbara, Toorak)

Many participants – although objectively enjoying high wealth and incomes – identified themselves as well as their suburbs as 'middle-class' or 'upper-middle-class' rather than 'upper-class'. This echoes recent surveys that show that wealthy Australians tend to underestimate their own position in the national wealth distribution (ACTU, 2011). This was particularly evident in Mosman, where residents compared their individual and collective wealth to those in even wealthier parts of Sydney, such as the eastern suburbs of Vaucluse, Bellvue Hill and Point Piper.

Some of the wealth held by more established residents of Mosman and Toorak was accumulated through skyrocketing property values in recent years. Thus, despite the increase in their wealth, their middle-class social class identification as individuals and as a community remained mostly unchanged:

> It was always a middle class suburb… certainly increased in value and the
> last few years it's ridiculous, but it hasn't so changed its character if you know
> what I mean. (Candice, Mosman)

Participants often made a distinction between the 'very rich' and 'moderately rich' social strata, and were able to 'map' their distinct geographic territories within each suburb:

> So there's two sides to Mosman. There's the, you know, we refer to it as The
> Mosman… the rich bit and we're probably on the edges of that. (Scott,
> Mosman)

In addition to spatial boundaries, participants articulated a set of cultural boundaries between three distinct social categories defined by both the level of their wealth and its source: first, well-known, 'old money' families who inherited massive wealth, and often had long historical roots in the suburbs; second, the 'new money' strata of relatively young (40s) but highly affluent professionals, mostly in the finance sector, that have been

moving into the suburbs (especially Mosman) in more recent years; and, other 'moderately-rich' long-established families in the three suburbs. Tensions between these three 'groups' were mostly evident in discourses differentiating between cultural and consumption norms. The 'new money' incomers were criticised by long established families for their lack of community values and conspicuous consumption (such discourses were particularly common in Mosman). In contrast, 'new money' participants took pride in earning their wealth through hard work and success, while criticising both 'old money' and established moderately rich families for their sense of entitlement and snobbism.

Crossing the social and spatial boundaries between the 'very rich' and 'moderately rich' was possible, but only in particular spaces or under particular conditions that sustained differentiation between the two groups of residents:

> One side of the street the houses are quite close together. I mean where we are we're classed as semi-detached. … but along the other side the houses are very big. … some of them just have massive amounts of income… My daughter does house sitting on the other side.... We went in to a Christmas party at that house… I'm not going to socialise with them in terms of going out for dinner and stuff. But they will invite us to a drinks party. (Norah, Mosman)

One site where routine contact is made between the super-rich, moderately-rich and not-so-rich is primary schools. Participants discussed exposure to social class diversity in this context as a positive learning experience to 'enrich' the life experiences of young children. However, fewer participants sent or intended to send their children to local public high schools. This suggests parents are significantly more concerned about their children's encounter with social difference as adolescents than as younger children, and aim to shelter them from any form of diversity that in their views could potentially undermine their future academic achievements. This echoes previous research that shows that in Melbourne, middle-class parents tend to choose public high schools that serve

higher SES cohorts, reproducing highly segregated compositions, along the lines of race, income and religion (Rowe and Lubiensky 2017).

In both suburbs most participants shared broadly similar conservative political values. This commonality can be seen as one of the premier unifying mechanisms that bridge across the wealth gap and social boundaries between the 'very rich' and 'moderately rich':

> I just feel sorry for the ALP [Australian Labor Party] member handing out leaflets because it is such a predominant - well, you look at the voting figures, it is just a predominantly Liberal area. (Roger, Mosman)

Some research participants described sharing these political and normative values as a major advantage of living in their suburb:

> People's aspirations and standards are similar… One of the joys of living here, you are living in an environment whereby your immediate neighbours and contacts, whether it's on the beach in the morning or in the restaurants or just parking next to people in the shops, come from a similar socioeconomic group with similar values. (John, Mosman)

Yet other participants expressed concerns about the relative socioeconomic homogeneity creating closed enclaves detached from, and oblivious to, the outside world. Some participants also felt the lack of diversity meant a less vibrant, 'colourful', or 'edgy' community:

> In those days [1980s] there were also quite a few boarding houses around. So there was lots of kind of weird eccentric people, which was really good fun - not because they were mocked or anything like that but because they just added to the colour. So there was kind of a spectrum…another kind of lovely local difference I suppose - that it wasn't just all white bread here. (Vicky, Mosman)

Overall, the perception of socioeconomically homogenous elite suburbs is to some extent misleading. Underneath the surface there are also underlying currents of tension and uneven power dynamics, as alluded to by one participant:

> The demographic - wealthy, moderately wealthy, quite wealthy people …. It's a comfortable, cosy - a very dear friend of mine used to use the term, a fur-lined mouse trap [laughs]. Mmm, very cosy, but beware. (John, Mosman)

This context is important to understand the tensions surrounding the growing presence of Chinese residents and investors in both Mosman and Toorak, discussed in the following section.

Ethnic diversity

Ethnic diversity was a highly contested issue in both Mosman and Toorak. Participants characterised both suburbs as 'European' in nature. However, rather than a form of homogeneity, participants often chose to emphasise the 'cosmopolitan' diversity of different European cultural influences in these suburbs. Particularly in Mosman, residents noted the important role of temporary migrants ('expats') from various European countries as an important feature of the cultural mix. This form of cosmopolitanism can be interpreted as a mechanism of differentiation from lower classes, as was found in the French elite (Cousin and Chauvin, 2014).

Others did not think of their suburb as European or Anglo, rather as an area that has no defining 'ethnic' characteristics:

> [Mosman] doesn't seem to be an area where there is a concentration of any one particular group, which I think is good …They shouldn't have these suburbs which are almost exclusively either Lebanese or Vietnamese or Chinese. (Candice, Mosman)

The invisibility of a taken-for-granted Anglo-Australian concentration echoes similar themes in the geographic literature on the spaces of whiteness (Shaw, 2006). Whether the

Anglo/European dominance was acknowledged or rendered invisible, the presence of other ethnic differences was often made highly visible as a divisive anomaly. This was exposed by the discomfort and even frustration participants expressed in relation to political correctness. Participants were self-aware and both apologetic and defiant about crossing the boundaries of political-correctness in relation to ethnic diversity. Negative comments about Chinese residents were often excused with "I don't want to sound racist, but…".

> We're all very aware not to voice anything that may be viewed… as wrong. We've all got a lot of multicultural friends so you have to be very careful. (Danielle, Toorak)

The European character of elite suburbs – particularly in Mosman and Toorak – was perceived as being threatened by the influx of 'Chinese' or 'Asian' (the two terms often used interchangeably) families and property investors.

> There's quite a number of Chinese families moving into the street. (Barbara, Toorak)

> There are I think nine houses on the estate. As they are changing, they're being bought by a number of Asians … not that there's anything wrong with that but it does make a change in the demographic profile of the area. (Ron, Toorak)

> It's definitely more Caucasian and although that's changing rapidly in the last couple of years. It's definitely Chinese, there's a lot of Chinese moving in. (Denise, Mosman)

The perception of a major change to the overall demographics of the suburbs is possibly inflated. In the 2011 Census only 2% of Toorak and less than 1% of Mosman residents were born in China. The 2016 Census suggests 3.6% of Toorak and 1.8% of Mosman

residents were born in China. While the change over a period of five years is apparent, Chinese residents remain a very small minority of both suburbs' population.

The attraction of affluent Chinese buyers to Australian elite suburbs was understood by research participants (mostly white Australians) as the consequence of a growing strata of super-rich Chinese seeking to invest in property outside their homeland. Participants also pointed to a cultural inclination in the Chinese-Australian community to invest heavily in children's education by living close to elite private schools.

Some participants emphasised their shared social class identity with the incoming Chinese residents as 'hard working professionals', which they felt bridged across ethnic or cultural differences between them:

> I was thinking there are a lot of Chinese people in Mosman who have come in here. But really have just formed part of the fabric of the environment because they are economically similar. Their social outlooks and values are similar to the long standing residents so they've completely blended in and are part of the Mosman fabric. (John, Mosman)

> We now have a great number of Chinese people. You know so I think we have people who have achieved, who've worked hard and they care about [Mosman]. (Vicky, Mosman)

But other participants expressed deep concerns about Chinese people buying properties in their suburb. Their intentions were questioned, and concerns were raised about Chinese buyers eventually leaving houses vacant. This was seen as a practice which destabilizes the community (in an apparent contradiction to concerns about density and over-population, in some cases raised by the very same participants):

> The other thing that terrifies me and I don't want to sound racist - because I think one of the great things about Melbourne is it's a very mixed community - is the amount of foreign ownership … Because I think they come in and buy houses and then don't live in them so it ruins its sense of community… So

suburbs like Toorak could eventually become ghost [towns]… if you fill a suburb with people who don't live in houses, local shopping centres can't survive…There's a feeling in Toorak at the moment that the Chinese are coming in and buying the properties, which is parking their money. Not necessarily living in it, just parking their money here. (Danielle, Toorak)

There was a perception that Chinese buyers and investors benefit from levels of wealth that are disproportionately higher than those of the established Australian elite, and are thus more powerful actors threatening the existing balance of power in these suburbs and in Australia more generally.

Another major concern involved new Asian/Chinese owners and developers perceived as lacking any attachment to the local heritage value of historical houses as well as trees, which are being demolished and replaced:

There is a building over the road …It was from 1860. It was a beautiful, absolutely perfect and perfectly preserved, and lived in, colonial building and it was sold about three years ago to Chinese investors who just locked it up and waited until they could raise the money to put up a neo-Georgian monstrosity where it is now. (Ron, Toorak)

I'm not in any way being racist about this, but there seems to be a lot of Chinese coming in buying homes here… There's a home … the one that I told you had all the trees cut down… It was just shattering. (Monica, Toorak)

Participants expressed concerns that Chinese buyers are most likely arriving from high-density Chinese cities, and therefore have little appreciation for the low-density character of Australian elite suburbs with historically large lots. Chinese newcomers and investors were thus blamed as a major force contributing to unwanted densification in the two suburbs:

Chinese are coming in, they have no interest in the area as such and they have a completely different take on it. I've been to…Shenzhen, where people live in boxes. So you can imagine when they come to Melbourne what we think are boxes here they think are glorious places. So they'll pull down a big house and build 10 units and it's still fabulous for them. (John, Mosman)

Some of the houses in Toorak have half an acre. So the Chinese have no appreciation of that because they live in such pretty appalling circumstances in terms of space. (Andrea, Toorak)

The current tensions surrounding Chinese buyers and investors echo longer-standing tensions between the Jewish and primarily Anglo-Australian residents in Toorak (much less so in Mosman).

Approximately 9.3 percent of Toorak residents self-identified as affiliated with Judaism in the 2016 census, and some participants noted their presence in Toorak was manifest. Non-Jewish participants described antisemitism as a characteristic of Toorak but also a thing of the past. In contrast, Jewish participants in Toorak described discrimination against Jewish residents as a persistent feature in present-day Toorak, and the institutions of Melbourne's elite more generally:

[Q: Did you ever experience antisemitism in Toorak?] Yes, always… many clubs … they say I can get into but I won't try too hard ... You always have a feeling when you walk in there, why did they let me in? A lot of paranoia. (Sam, Toorak)

Much like attitudes towards the Chinese today, one participant blamed greedy Jewish developers for the pressure to densify Toorak. Similar comments were made by the same participant in relation to developers of Greek origin, supported by a council perceived as dominated by Greek councillors.

In contrast, there was no perception of any 'influx' of Muslim residents into the suburb. However, the interviews were conducted at a time of a severe refugee crisis in Syria, and

significant public debate about Australia's responsibilities in accepting refugees. Some participants commented on these issues in interviews. Some were strongly opposed to any policies accepting refugees from Syria, reflective of the general conservative ideology dominant in these suburbs. Others acknowledged Australia's commitment to accepting refugees – indeed, one participant was actively involved as a volunteer assisting refugees in another suburb – but did not consider their own suburb an appropriate place for their settlement, reflecting a Not in My Backyard (NIMBY) attitude:

> As for all these refugees coming out, well I think we've got plenty of room for them and if they could come and be happy to live in the country, there's tons of room for them to go and live there and start afresh (Nicole, Mosman)

In summary, some participants argued that ethnic difference was merely secondary to shared social class identities among both Anglo and Chinese residents of Toorak and Mosman. However, the interviews also revealed tensions and open conflict surrounding a range of urban development matters, and the anxieties of Anglo-Australian residents about the impact of Chinese newcomers and investors on the community. These impacts were depicted in terms of physical changes (density, heritage, trees), although the underlying inference appears to be the threat to the collective identity of the suburb and its community. As we discuss in the following section, the perceived threat is not merely to the 'Anglo' identity of the suburb; rather, it is also a threat to the cohesion of the social class identity of the suburb, and by implication more broadly to 'elite integration' in Australia.

Conclusion

Globalisation has contributed to both increased concentration of wealth in the hands of elites (Piketty et al., 2014; Credit Swiss, 2016), and the diversification of those elites in terms of their national or ethnic compositions (Alba and Moore 1982; Andre 1995; Cornwell and Doshkin, 2014; Edling et al., 2013; Gowricharn, 2001; Ogmunsdon and

McLaughlin, 1992; Vianello and Moore, 2004; Zweigenhaft, 2001). Thus the question of elite integration – how increasingly diverse elites sustain their capacity to work together effectively to maintain their economic and political advantages – becomes crucial to understanding rising global and national inequalities.

The residential neighbourhood is often mentioned alongside other social institutions that facilitate processes of elite integration (Mills, 1956; Encel, 1970; Pietsch, 2004; Gilding, 2004; Campbell 1963), but with very little empirical evidence to support such claims. In this paper we examined the question of elite integration in the context of two Australian elite suburbs where tensions are emerging in recent years between long-established mostly Anglo-Australian residents and Chinese newcomers. These tensions suggest that ethnic difference is perceived by native elites as a threat to their cohesion. At the same time, the findings also point to the resilience of elite cohesion and their capacity to adapt to changes in their ethnic composition.

Mosman and Toorak emerged from the findings as sites where processes of both differentiation and integration occur between distinctive elites that coexist in these suburbs including: the capital elite (business owners); the managerial elite (CEOs); and, the 'creative' elite of affluent but less senior workers, mostly in the finance industry. Relationships between these distinctive groups in Mosman and Toorak were not entirely harmonious, with tensions surrounding distinctive cultural norms. For example, conspicuous consumption by the Nouveau Riche, on the one hand, and entitled snobbism by more established families, on the other hand, were points of contention.

An intricate spatial and social order has developed over time in both suburbs that allowed both differentiation of these distinctive elite circles, but also some degree of integration between them. Contact and overlap between these groups was made possible in certain types of spaces (e.g. primary schools) but denied in others (e.g. high schools). Importantly, shared broad conservative-capitalist values were a uniting factor bridging across differences between all these groups.

Such duality was also expressed in relation to the growing presence of Chinese residents and investors. The ethnic difference of these new residents, as some participants argued,

was only secondary to their shared social class identity and values with long established and mostly Anglo residents. Yet, Chinese newcomers were also described as a threat to the social and spatial order established in Mosman and Toorak. They were perceived as oblivious to the value of heritage separate houses and old trees, which more established members of the community held dear, perhaps as physical symbols of their shared class identity. The native elite was fearful of over-population, on the one hand; and the 'ghosts' of empty houses they believe Chinese investors leave behind, on the other hand. Such fears reverberate the 'discourse of absence' identified by Dunn (2004) in relation to Muslims in Sydney's disadvantaged suburbs.

In Toorak, these recent events echo past fears about the settlement of Jewish wealthy residents in the suburb. While initially forcefully resistant to the inclusion of Jews in their community, eventually a new complex set of inclusions and exclusions has been negotiated and by now normalised. Similarly, in the United States, a diversifying elite has managed to sustain a sense of cohesion (Zweigenhaft and Domhoff, 2006). Based on these precedents, we can expect a similar outcome with the Chinese newcomers, albeit with the caveat that this might involve demographic change of greater magnitude yet to be fully realised.

Our findings suggest that 'elite integration' in contemporary Australia is neither the highly concentrated, cohesive network of overlapping elite circles proposed by the 'elitist school' (Dogan, 2003; Cornwell and Doshkin, 2014; Mills, 1956), nor the separate elite circles depicted by the 'pluralist school' in elite studies (Dahl, 1961; Keller, 1963). Rather, at least at the neighbourhood scale, distinctive elite circles manage an intricate social and spatial order facilitating both integration and differentiation. Shared capitalist values and a limited degree of social contact in specific designated spaces are perhaps sufficient for an effective elite integration. Social difference and even conflict within the elite are not necessarily detrimental to its integration. Indeed, as famously observed by Marx (1894, p. 178), the ruling class functions effectively as a band of "hostile brothers".

Unlike much geographical analysis of social class conflict, our case studies of Mosman and Toorak were neither recently gentrified nor gated communities. Rather than the blunt

symbolism of a physical gate, or direct clashes between working and upper classes in gentrified neighbourhoods, our case studies highlight the false sense of 'egalitarianism' that exists in both suburbs due to the invisibility of poverty and the invisibility of 'gates' within them. Following Beaverstock et al. (2004), our findings too highlight the need for expanding elite geographies beyond the more conventional themes of gated communities and gentrification.

The neighbourhood level tensions between Australian-born residents and migrants are by no means unique to elite suburbs. Similar conflicts are apparent in neighbourhoods of diverse social class characteristics (Dunn, 2004; Rogers et al., 2017). Yet these similarities potentially disguise the mediating role that social class plays in shaping encounters and relations across ethnic or cultural difference. Likewise, our analysis suggests that cultural tensions play a mediating role in processes of social class integration and differentiation. Whether and how this occurs in other non-elite neighbourhoods is a matter for further investigation.

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