

“Transatlantic Lessons from the Rust Belt and Eastern Germany”

John J. McCloy Fellowship Final Report

By Eric W. Fraunholz

Executive Director of the German-American Institute Saxony

The McCloy Fellowships on Global Trends are supported by the [American Council on Germany](#), an independent, nonpartisan nonprofit organization. The views expressed in reports are those of the authors and are not meant to represent the views of the Council.

In September and October 2025, a McCloy Fellowship gave me the rare opportunity to step back from my everyday work in transatlantic relations, travel through parts of the American Rust Belt, and reflect more deeply on my own work and on what transatlantic dialogue can look like beyond its traditional settings. After an initial stay in New York City, I traveled through upstate New York, with a stop at Colgate University, and continued on to Syracuse, Erie, Youngstown, and Pittsburgh, before traveling to Washington, DC, and eventually returning to New York City. The roughly fifty conversations I had along the way prompted me to reflect more deeply not only on my own work and personal relationship to transatlantic relations, but also on what a more robust and future-oriented transatlantic relationship might look like. The journey was not simply about mapping similarities and differences between eastern Germany and the American Rust Belt. Its focus was on the productive possibilities of transatlantic dialogue and learning in places that are rarely understood as core transatlantic audiences. By putting these two distinct contexts into conversation, I wanted to explore how regions marked by deindustrialization, social dislocation, and struggles for political and social recognition might inform one another without collapsing their very different histories. The journey sharpened my understanding of the United States, but also reshaped how I see my own work in eastern Germany.

This short report is guided by the hypothesis that a stable and future-oriented transatlantic relationship cannot be understood solely from the vantage point of metropolitan centers and established elites. It must also be reconsidered from those regions where the promises of liberal democracy, globalization, and economic integration have often been experienced as uneven, delayed, or externally imposed. Placed in transatlantic comparison, eastern Germany and the past thirty-five years of reunification may sharpen our understanding of the Rust Belt by drawing attention to shared patterns of political misrecognition, the tendency to misunderstand, downplay, or instrumentalize such regions, the long aftereffects of radical economic and social transformation, and the ways communities seek to rebuild identity, agency, and economic life under conditions that rarely match the assumptions of outside decision-makers. Each casts light not only on the other's tensions and constraints, but also on underexplored potential for political strategies, social resources, and alternative ways of grounding transatlantic relations in places too often viewed only as peripheral or problematic.

Point of Departure

Scholars and practitioners have long sought to understand regions marked by industrial decline, demographic loss, and political discontent, and have occasionally placed them in transnational conversation. In this context, the American Rust Belt has more commonly been compared to the old industrial regions in western Germany, above all the Ruhr region, while eastern Germany has more often been treated as a distinct postsocialist or reunification case. If approached with sufficient care, however, eastern Germany can also be understood as part of a broader landscape of transatlantic transformation regions and as a productive comparative lens for audiences, politicians, and practitioners in both the Rust Belt and eastern Germany.

My own interest in the Rust Belt emerged directly from my work in eastern Germany. I am the founder and for the past seven years have since been the Executive Director of the German-American Institute Saxony, the first and only America House in eastern Germany. From the beginning, my work has been shaped by a set of practical and strategic questions: Who is our audience? Which themes matter most in our regional context? And what can be learned from the other German-American institutes across the country? These questions may sound banal, but in Saxony they immediately raise a deeper issue of regional positioning, history, and political culture. The history of the America Houses in western Germany grew out of a specific postwar constellation. Established with American support after

the Second World War, they were part of a broader effort to strengthen democracy in Germany and to create spaces where people could engage with transatlantic issues, democratic values, history, and liberalism not only intellectually, but through lived dialogue, exchange, and debate. The GDR, understandably, had no such institution.

Over the past seventy years, the few remaining America Houses have developed their own regional voices with their respective local audiences. Each institute has grown within its region, reflecting its local history, political culture, and civic environment. In that sense, no two institutes are alike. Each serves as a bridge between its region and the United States. It conveys a complex and evolving image of America into the region, together with its audience, while also projecting something of that region's own concerns, perspectives, and political sensibilities back across the Atlantic.

To build a transatlantic institution in Saxony means working in a region where no resilient transatlantic structures and networks have developed over generations, embedded in a history of socialist dictatorship, regime-sponsored anti-Americanism, reunification, and profound social and economic transformation. My interest in the Rust Belt emerged as an attempt to better understand whether other, non-traditional transatlantic regions shaped by industrial decline, social dislocation, and contested political belonging might illuminate the challenges and possibilities of working on transatlantic relations in eastern Germany today.

Transatlantic Dialogue Across the Rust Belt

My encounters with local initiatives in Syracuse, Erie, and Youngstown, but especially longer conversations with university students in the region, made this potential especially clear. In Erie, for instance, I met students mostly from western Pennsylvania and nearby Ohio with a more rural outlook, more conservative views, and closer ties to small-town America. By contrast, at Colgate University, a private university in upstate New York, my conversations with political science students were embedded in a far more elite, nationally diverse, and politically liberal environment. In both settings, it became clear how little awareness there was that the divide between eastern and western Germany remains meaningful not only historically, but also today in social, political, and biographical terms. This should not be overstated, but neither is it surprising. Even in Germany itself, an eastern German perspective still has to be asserted within public debate and national self-understanding. What was notable in both cases, however, was that once the conversation turned to eastern German experiences and everyday realities, it opened up into exchanges that were probing, engaged, and rich. In both settings, the discussion of eastern Germany soon became a conversation about the students' own societies, their own political realities, and their own lived experience. They drew parallels, tested analogies, and reflected on questions of regional inequality, belonging, representation, and social change in the United States.

This transatlantic dimension also became visible in exchanges with experts, educators, and civic actors across the Rust Belt. Nowhere, however, did it come into sharper focus than in Youngstown. Much of what I had heard in Erie, Pittsburgh, and Syracuse seemed to converge there in especially concentrated form. Youngstown has repeatedly been described as the American "poster child for deindustrialization," and for good reason. Unlike more diversified industrial centers, it remained deeply dependent on steel, which made the collapse especially abrupt and its social consequences especially severe. In Youngstown and the Mahoning Valley, I spent several days with former steelworkers' unionists, local investors and entrepreneurs, sons and daughters of steel families, and initiatives for economic and social revival, speaking about the region's passage from industrial boom to devastating collapse. What emerged was a sense of rupture so deep that it still shapes the region's self-understanding today. "Black Monday" in 1977, when the Campbell Works closure threw roughly 5,000 people out of work overnight, has become the

emblematic date of that rupture. In the years that followed, the wider area lost around 50,000 jobs in steel and steel-related industries, along with hundreds of related businesses and a substantial share of the tax base on which community life had depended. The demographic afterlife of this collapse remains visible everywhere. A city of roughly 170,000 people in 1930 had just under 60,000 residents when I visited. What disappeared was not only an industrial economy, but an entire social world in which labor conferred dignity, continuity, and local rootedness. It was here that the parallels with eastern Germany became especially striking. There, too, the upheavals after 1989 were experienced not merely as economic restructuring, but as the devaluation of biographies, qualifications, and inherited forms of social recognition. When I raised these parallels, they were often immediately legible. In both eastern Germany and the Mahoning Valley, structural transformation was lived not only as material loss, but as an injury to pride, agency, and one's sense of place in the world.¹

In that sense, the potential of these conversations lay not simply in explaining eastern Germany to an American audience, but in using eastern Germany as a lens through which broader transatlantic questions could be explored. This, too, is part of a transatlantic perspective. Not only the exchange of information across borders, but the creation of a dialogical space in which one society becomes newly legible through the experience of another. It is precisely here that an underexplored and potentially very fruitful dimension of transatlantic dialogue begins to emerge.

Why Eastern Germany?

Many of the patterns described so far could just as easily be observed in the Ruhr or the Saar region. Indeed, this is where transatlantic comparisons have most often begun, and with good reason.² The American Rust Belt and western Germany's old industrial regions share an immediately recognizable historical grammar: coal, steel, heavy industry, organized labor, gradual decline, and the long search for postindustrial reinvention. Politically, too, the parallels are striking. For decades, both were core labor constituencies. The Ruhr as the "heart chamber" of German social democracy, and the industrial Midwest as part of what in the United States came to be known as the Democratic "Blue Wall."

And yet, this comparison has limits. No matter how severe the crisis in the Ruhr and the Saar region was, it unfolded within a political order that somewhat mitigated its effects through substantial public funding, a robust welfare state, and consistent industrial policy. This also translates to voting behavior. Regions affected by deindustrialization since the 1970s in both the U.S. and parts of Europe have been highly susceptible to populist nationalist rhetoric, as evidenced by their votes for Trump, Brexit, and Le Pen. "In Germany, fiscal federalism dampened the impact of industrial decline on regional economies, so voters in the Ruhr and Saar areas have not followed this route" as quickly and radically. "[I]n the former German Democratic Republic though, where deindustrialization has been even more radical, voters have been susceptible to radical rhetoric."³ For that reason, the comparison with the Rust Belt is often convincing at the level of economic structure, but more qualified when it comes to politics and social consequences. Eastern Germany adds another layer here that makes it analytically productive. In the former GDR,

¹ Cf. John Russo and Sherry Lee Linkon, "The Social Costs of Deindustrialization," in *Manufacturing a Better Future for America*, ed. Richard McCormack (Washington, DC: Alliance for American Manufacturing, 2009), 149–174; Michael Shields, "Manufacturing a High-Wage Ohio," *The Century Foundation*, March 12, 2018, <https://shorturl.at/k49DF>; U.S. Census Bureau, "QuickFacts: Youngstown city, Ohio," accessed March 27, 2026, <https://shorturl.at/YSUOT>.

² The Chicago Council on Global Affairs, "Transforming Industrial Heartlands Initiative," accessed March 27, 2026, <https://shorturl.at/QtyH6>.

³ "Capitalism: What Has Gone Wrong? Who Went Wrong? Capitalism? The Market Economy? Governments? 'Neoliberal' Economics?," *Oxford Review of Economic Policy* 37, no. 4 (Winter 2021): 664–77, here 666.

deindustrialization did not unfold simply as a gradual erosion. It arrived bound up with systemic rupture. The collapse of one political and economic order, the rapid imposition of another, and a shock that was at once biographical, political, economic, and social.

Taking into account eastern Germany does not abandon the traditional transatlantic comparison with the Ruhr; rather, it sharpens it. The focus shifts from industrial decline itself to the broader question of what happens when economic collapse, institutional replacement, and struggles over recognition occur simultaneously. This is where eastern Germany begins to matter as a means of more clearly seeing the political and social depth of transatlantic transformation.⁴

Eastern Germany's transformation has mostly been excluded from broader Rust Belt comparisons. In scholarship and the international debate, it has more commonly appeared under headings such as reunification, postsocialist transformation, asymmetric integration, or simply as Germany's problem child. This has placed it more naturally in comparative conversations with postsocialist Central and Eastern Europe than with the American Midwest. Within the German debate, on the other hand, eastern Germany has been observed, measured, and judged largely in relation to western Germany, through wages, productivity, elite representation, electoral outcomes, and the still unresolved question of democratic and social integration. In this sense, international and German perspectives have often left eastern Germany in an analytically awkward position, caught between a west German gaze that reads it through deficiency, impatience, and recurring alarm over the supposed democratic danger posed by the East, and a postsocialist narrative in which eastern Germany appears, by comparison with other Central and Eastern European states, as a successful case of economic and democratic integration. Yet neither perspective fully captures the specificity of the path eastern Germany has taken.

The prevailing expectation was that eastern Germany would gradually align with the West economically, socially, and politically. This assumption, which was based on modernization theory and broader narratives of normalization after 1989, has only been partially realized. While important gaps have narrowed, the expectation that material support, institutional integration, and generational change would automatically produce political convergence has proven too simplistic and, based on eastern German voting behavior, incorrect. As Steffen Mau has suggested, thirty-five years after reunification it may be more fruitful to think less in terms of catching up or simple deviation to the rest of Germany, and more in terms of a third, distinct trajectory shaped by eastern Germans' own experience and political will. Seen from this angle, eastern Germany appears as a unique European transformation region whose history may illuminate other places marked by rupture, devaluation, and uneven incorporation into a larger political and economic order.⁵

⁴ Cf. Kean Birch, Danny MacKinnon, and Andrew Cumbers, "Old Industrial Regions in Europe: A Comparative Assessment of Economic Performance," *Regional Studies* 44, no. 1 (2010): 35–53; Gert-Jan Hospers, "Restructuring Europe's Rustbelt: The Case of the German Ruhrgebiet," *Intereconomics* 39, no. 3 (2004): 147–56; Umweltbundesamt, *Analysis of the Historical Structural Change in the German Hard Coal Mining Ruhr Area (Case Study)* (Dessau-Roßlau: Umweltbundesamt, 2022); Luisa Gagliardi, Enrico Moretti, and Michel Serafinelli, "The World's Rust Belts: The Heterogeneous Effects of Deindustrialization on 1,993 Cities in Six Countries," NBER Working Paper no. 31948 (2023); Christopher H. Johnson, "De-industrialization and Globalization," *International Review of Social History* 47, suppl. 10 (November 2002): 3–33; and Jürgen Klute and Peter Kenway, *Structural Change and Industrial Politics in the Ruhr Region: A Historical Overview of the Decline and Transformation of Germany's Industrial Heartland* (Berlin: Rosa-Luxemburg-Stiftung, 2023).

⁵ Steffen Mau, *Ungleich vereint: Warum der Osten anders bleibt* (Berlin: Suhrkamp, 2024), 15; cf. Wolfgang Zapf, *Modernisierung, Wohlfahrtsentwicklung und Transformation: Soziologische Aufsätze 1987 bis 1994* (Berlin: Edition Sigma, 1994); Alexander Leistner, "Bis

This matters beyond the German case. In the Rust Belt, too, I encountered regions in which economic rupture, industrial decline, and the feeling of external determination had left deep marks and shaped lasting political outlooks. There are still only a small number of comparative surveys that speak directly to the political perceptions in these regions. One recent transatlantic study offers a useful snapshot, though it should be read with some awareness of its own framing. The study emerges from a project committed not only to analyzing transformation in the “Industrial Heartlands,” but also to accompanying and shaping it through dialogue and the exchange of best practices, and it rests on a relatively compressed online survey design.⁶ Its findings are therefore useful, though politically suggestive rather than definitive. They indicate that even where ambitious transformation policies exist, and even where industrial renewal is welcomed in principle, political judgment is filtered above all through the local and the immediate. The pressure of everyday economic insecurity, the perceived future of one’s own region, and, crucially, the question of agency, whether people experience themselves as participants in shaping change or merely as objects of decisions made elsewhere. If true, the larger implication is significant. Even where industrial policy can plausibly point to economic success in terms of headline growth, investment, and manufacturing construction, its electoral effects may remain weak, uneven, or politically underwhelming, not least because place-based policy still depends on whether such gains actually reach distressed labor markets and communities in visible ways.⁷ A recent county-level analysis of the 2024 election, for instance, found that industrial-policy projects modestly boosted Harris and modestly hurt Trump, but not significantly, while a Brookings analysis has likewise stressed that the success of place-based industrial strategy depends on whether investment actually reaches the labor markets and communities most affected by earlier shocks.⁸ This helps to understand why well-intentioned policy in deindustrialized regions so often fails to generate the political response it seeks. Not because such policy is meaningless, but because material change, political recognition, and democratic confidence do not unfold in lockstep.⁹

Much of what I heard in the Rust Belt resonated with this notion. Skepticism is directed not only at economic outcomes, but at the political process through which decisions are made. Again and again, people described a sense of being talked about more than talked with, of not being taken seriously as political subjects, and of being told, implicitly or explicitly, that they had made the “wrong” choices whenever they voted against the expectations of national elites. One reason this sentiment became so politically potent is that it tends to be reinforced by visible forms of neglect. The 2016 election remains the emblematic example: Hillary Clinton did not campaign in Wisconsin during the general election, a fact that later became a lasting cautionary tale for Democrats about what it means

hierher und wie weiter? Zur Vergangenheit und Zukunft der asymmetrisch verflochtenen Transformation (Ost-)Deutschlands,” in *Das umstrittene Erbe von 1989: Zur Gegenwart eines Gesellschaftszusammenbruchs*, 11–61.

⁶ Sandra Rath and Axel Ruppert, *Industrial Heartlands: New Opportunities: Public Opinion on the Politics of the Industrial Heartlands in the US and Germany* (Berlin: Das Progressive Zentrum, 2024), accessed March 27, 2026, <https://shorturl.at/qtZDD>.

⁷ U.S. Department of the Treasury, “Unpacking the Boom in U.S. Construction of Manufacturing Facilities,” June 27, 2023, <https://shorturl.at/T2Tjf>. International Monetary Fund, United States: 2024 Article IV Consultation, Press Release; Staff Report; and Statement by the Executive Director for the United States, IMF Country Report No. 24/232 (Washington, DC: IMF, July 17, 2024), <https://shorturl.at/gCd0Y>. Timothy J. Bartik, “The Recompete Pilot Program Can Help Rebuild Distressed Places—If Policymakers Properly Fund It,” Brookings, September 1, 2023, <https://shorturl.at/t77xq>.

⁸ Nick Buffie et al., “Industrial Policy Projects Boosted Harris and Hurt Trump in the 2024 Election, but Not by Much,” Center for American Progress, March 3, 2025; Glencora Haskins, Mark Muro, and Maya Garg, “Place-Based Industrial Strategy Responds to Past and Future Industrial and Labor Market Shocks,” Brookings, August 29, 2024.

⁹ OECD, *A Fair Net-Zero Transition: Labour Market Policies to Meet Decarbonisation Challenges* (Paris: OECD, 2025).

when industrial and Midwestern states are treated as electorally secure, culturally familiar, or politically legible from afar. This is also one of the regions where the casting of parts of the electorate as “deplorables” continued to echo in the voting booth, reinforcing the sense that these constituencies are met not with genuine curiosity about their lived realities, but as problems to be managed, corrected, or morally judged. This feeling is amplified by a broader pattern in which decisions made in DC are often experienced as distant, technocratic, and imposed by those who assumed they knew better. From trade policy to more recent transition strategies, many communities experience national agendas less as something shaped with them than as something decided for them. The larger point is not that campaign visits alone determine outcomes, but that in regions already shaped by disinvestment and status loss, the perception of being overlooked, belittled, and judged can itself become politically consequential.

We have also seen a similar dynamic in eastern Germany over the last thirty-five years. To put it somewhat polemically: Nearly two trillion euros in transfers and investment to eastern Germany have not simply produced the “correct” voting behavior. After all, many post-unification assumptions rested on the expectation that economic investment, institutional adaptation, and generational change would gradually also yield political convergence along West German lines. This should not dismiss those investments, but underline a broader political lesson that redistribution and infrastructure do not automatically dissolve mistrust and restore agency where experiences of rupture and devaluation remain historically alive.¹⁰

Eastern Germany offers a historically and socio-politically condensed version of a problem that now appears, in different forms, across postindustrial democracies: the gap between policy intention and political reception. It shows with particular clarity that redistribution does not automatically yield recognition, that institutional incorporation does not automatically produce identification, and that material improvement may fail to dissolve the political afterlife of rupture. This persistent misreading and communication gap became visible once again in the 2025 federal election, when the AfD became by far the strongest force across large parts of eastern Germany, with no sign of reversal. Across much of the East, an extraordinary share of the electorate continues to vote against the established political order in Germany and for parties promising a sharper break with western political orthodoxies and a stronger claim to regional autonomy, despite massive public investment, decades of democracy-promotion efforts, and repeated attempts at political and institutional integration.¹¹

Eastern Germany is not only a national case of incomplete convergence. It becomes a transatlantic lens through which to see more clearly why even well-intentioned policy cannot simply produce political persuasion, and that it must pass through historically sedimented experiences of loss, status decline, and mistrust.¹² From this angle, the dominant frame

¹⁰ Cf. Melinda Fremerey und Simon Gerards Iglesias, 35 Jahre grenzenlos: Die Entwicklung der Regionen an der ehemaligen innerdeutschen Grenze, IW-Report Nr. 46/2025 (Köln: Institut der deutschen Wirtschaft, 2025); and more polemically: Stefan Laurin, “Fremder Osten: Deutschland zwischen Wiedertrennung und Putinland?,” Ruhrbarone, 23. August 2024, <https://shorturl.at/sH6Lv>.

¹¹ Die Bundeswahlleiterin, “Ergebnisse Sachsen,” Bundestagswahl 2025, accessed March 27, 2026, <https://shorturl.at/IXQ4D>; Die Bundeswahlleiterin, “Ergebnisse Brandenburg,” Bundestagswahl 2025, accessed March 27, 2026, <https://shorturl.at/UHC9x>; Die Bundeswahlleiterin, “Ergebnisse Mecklenburg-Vorpommern,” Bundestagswahl 2025, accessed March 27, 2026, <https://shorturl.at/0HoCX>; Die Bundeswahlleiterin, “Ergebnisse Thüringen,” Bundestagswahl 2025, accessed March 27, 2026, <https://shorturl.at/hYbEK>. In these states, the AfD won 38.5 percent of the second vote in Saxony, 34.4 percent in Brandenburg, 37.0 percent in Mecklenburg-Vorpommern, and 38.7 percent in Thuringia.

¹² Rath and Axel, *Industrial Heartlands*; Leonardo Baccini and Stephen Weymouth, “Gone For Good: Deindustrialization, White Voter Backlash, and U.S. Presidential Voting,” *American Political Science Review* 115, no. 2 (2021): 550–67. Dani Rodrik, “Why Does Globalization Fuel Populism? Economics, Culture, and the Rise of Right-Wing Populism,” NBER Working Paper no. 27526 (July 2020),

underestimates eastern Germany as a place whose political and emotional afterlives remain legible in other deindustrialized regions. Again and again in conversation, I was struck by the extent to which political change in such places continues to be carried by resentment, humiliation, and the feeling of having been misrecognized or cast aside. In the United States, this has often surfaced in the language surrounding the “deplorables”; elsewhere, it appears as stolen pride, civic erosion, the breakdown of social trust, or in the tendency to cast such constituencies as politically suspect, unruly, or dangerous. This is why the concept of transformation, while important, may not always be enough. A broader frame such as “left-behind places” may therefore be useful, even if the term risks flattening very different regional trajectories into a single moral geography.¹³ It opens up a vocabulary not only for economic decline, but for the emotional and symbolic injuries through which inequality becomes politically charged.

What Remains, Who Decides?

Another productive way to deepen this transatlantic dialogue is through the material afterlife of transformation, or the way decline becomes legible in ruins, brownfields, empty plants, and even in a name like “Rust Belt,” which turns decay and oxidation into a regional identity. In that sense, transformation is never only measured but also experienced, inhabited, and remembered. Recent work on post-industrial cities argues that vacant industrial structures are not just obsolete assets, but carriers of material memory and place identity, and debates over whether to demolish, preserve, or reuse them are therefore also debates over how a region understands itself.

That insight translates remarkably well to eastern Germany. In conversations with a historian working on East German material memory, we discussed how similar questions arise when a region’s built environment becomes a repository of unresolved transformation. How abandoned factories, empty lots, prefabricated housing estates, renovated centers, and ruins all become part of a contested visual language of loss and renewal. The political force of this is easy to underestimate. Where decline remains physically present, it can stabilize narratives of abandonment; where visible reuse succeeds, it can begin to rebuild not only tax bases and jobs, but also a sense that the region once again has a future on its own terms. This is why the politics of redevelopment in deindustrialized regions is never merely technical. It is also symbolic and affective, especially concerning who gets to define what remains, what is worth saving, and what kind of regional identity can be rebuilt from the material residues of industrial decline.

What struck me was how explicitly local actors themselves thought in these terms. In Erie, for example, redevelopment efforts around the former Erie Malleable Iron facility at Ironworks Square were described not just as real-estate or business projects, but as a way of transforming a long-vacant industrial site into a productive business park through adaptive reuse and historic preservation, with the stated goals of business attraction, retention, and job creation. In Syracuse, similar language surrounded projects such as the rehabilitation of the former R.E. Dietz lantern factory, an empty industrial building recast as an anchor of downtown revival through new housing and commercial space, and the reuse of Webster’s Landing, a nineteenth-century grain warehouse turned into apartments. In Pittsburgh, the logic appears at a larger scale: The redevelopment of Hazelwood Green, a vast

<https://shorturl.at/shgr1>; Benjamin Austin, Edward Glaeser, and Lawrence H. Summers, “Jobs for the Heartland: Place-Based Policies in 21st-Century America,” *Brookings Papers on Economic Activity* 49, no. 1 (Spring 2018): 151–255, <https://tinyurl.com/285syb74>.

¹³ Andy Pike, Vincent Béal, Nathalie Cauchi-Duval, Rachel S. Franklin, Nadir Kinossian, Thilo Lang, et al., “‘Left Behind Places’: A Geographical Etymology,” *Regional Studies* 58, no. 6 (2024): 1167–79.

former steel site, has been framed not simply as land reuse, but as the creation of a new mixed-use district of jobs, housing, research, and public life; while downtown revitalization efforts have similarly sought to turn visible symbols of stagnation into signs of renewed urban confidence. In Youngstown, comparable language appeared in renewal efforts around the historic Huntington Building on Market Street, where a publicly backed redevelopment project was framed as both the preservation of a recognizable landmark and the creation of new office, retail, residential, and business activity in the urban core. In all of these cases, the argument was not simply that new investment creates jobs, but that bringing long-familiar structures or sites back to life alters the emotional atmosphere of the place itself. A ruin or vacancy that once stood as a daily monument to loss begins instead to signal movement, capability, and the possibility of self-renewal.

If deindustrialized structures function as material reminders of humiliation, abandonment, or decline, then their reuse and reappropriation can carry a different kind of political charge. It suggests that a region is no longer merely being acted upon, but is once again capable of acting on itself. The political importance of such change lies not only in economic output, but in the reconstitution of a collective horizon. In this sense, the visibility of transformation matters because it mediates between policy and feeling. It can harden resentment when the built environment confirms decay but it can also nourish a more positive regional outlook when renewal becomes tangible, credible, and locally recognizable. That may be one reason why the question of material memory, of what to keep, reuse, reinterpret, or let go, deserves a more central place in any transatlantic discussion of transformation regions.

Eastern Germany offers its own version of this material afterlife of transformation. The traces of the 1990s are everywhere, though less often as monumental ruins than as a fragmented landscape of disappearance, renovation, vacancy, and selective reinvention. What matters is not only their material presence, but the meanings attached to them. They may stand for loss, external determination, and a past whose value was abruptly downgraded, but they can also become sites from which a region begins to reclaim authorship over its own story. This is why material memory matters politically. It mediates between structural change and lived experience, and it shapes whether transformation is experienced as continued dispossession or as the beginning of renewed agency. In this light, even the often dismissively invoked notion of *Ostalgie*, a specific form of nostalgia for Socialist East German culture, deserves reconsideration. Understood more carefully, it is not simply a longing for the GDR but part of a broader effort to reclaim artifacts of one's own past and reactivate regional identity under new historical conditions. What is at stake, then, is not nostalgia alone, but symbolic agency. That is one reason why the eastern German case is so instructive. It shows that the reconstruction of transformation regions depends not only on economic renewal, but also on the ability to make the past usable for a livable future.

Above all, the question of identity should not be treated as secondary. Both the Rust Belt and eastern Germany are regions in which industry does not simply vanish, but continues to live on in memories, buildings, family stories, and regional self-images. It survives, in other words, on a subnational level where the afterlife of industrial society remains politically charged. This makes a comparison through memory, loss, regional identity, and political visibility particularly fruitful. In both eastern Germany and the Rust Belt the industrial past persists not only as economic history, but as a contested field of heritage and self-representation. Struggles over memory and identity shape political voice and belonging in transformation regions.¹⁴

¹⁴ Stefan Berger and Christian Wicke, "Introduction: Deindustrialization, Heritage, and Representations of Identity," *The Public Historian* 39, no. 4 (November 2017): 10–20; Jonathan Bach, *Die Spuren der DDR: Von Ostprodukten bis zu den Resten der Berliner Mauer*, trans. Ursula Blank-Sangmeister, with Anna Raupach and Janet Schüffel (Dresden: Sächsische Landeszentrale für politische Bildung, 2019).

Limits of Comparability

If aspects of eastern Germany's transformation become more legible when placed alongside the Rust Belt and vice versa, this should not obscure the fact that the two are not equivalent cases.

The late GDR was not simply an old industrial region in crisis, but part of a comprehensive institutional and societal rupture in which property, law, currency, elites, and political order were transformed almost simultaneously. In this respect, eastern Germany differs not only from the Ruhr and the Saarland, but also from the American Rust Belt. At the same time, this very difference generates productive points of comparison. Research on the Treuhand experience suggests that the upheavals of the early 1990s left durable political effects. Those who lost their jobs in the privatization process exhibit lower trust, lower political interest, and weaker identification with mainstream democratic parties even decades later. The sense of being sold off, passed over, or politically downgraded became a significant part of the region's democratic afterlife.¹⁵

The role of the state also differed profoundly in these cases. Eastern Germany was drawn into an extraordinary regime of transfers, institutional incorporation, and public investment. Roads and railways were rebuilt, city centers renovated, municipal infrastructures modernized, pensions stabilized, and the legal and administrative order of the Federal Republic extended eastward almost in full. Many Rust Belt regions, by contrast, were more directly exposed to plant closures, corporate exit, shrinking tax bases, and the cumulative effects of disinvestment, often without anything like a comparably dense public cushion. The devastation of steel in Youngstown, or the longer erosion of industrial employment in places like Erie and western Pennsylvania, was met less by state-led incorporation than by local improvisation under increasingly difficult fiscal and social conditions. Yet this difference should not lead to the conclusion that state support automatically resolves the political consequences of transformation. On the contrary, the eastern German case suggests the opposite. Even massive transfers, commonly estimated at close to two trillion euros over three decades, did not simply produce the forms of political convergence many expected. In that sense, the old convergence thesis associated with modernization theory has proven insufficient. Formal integration and material support mattered greatly, but they did not by themselves restore trust, recognition, or a durable sense of political representation.¹⁶

These limits of comparability must be made explicit. The point is not to collapse eastern Germany, the Ruhr, the Saarland, and the American Rust Belt into a single story of industrial decline. Their historical trajectories, political frameworks, and institutional settings differ too significantly for that. The aim here is to widen and refine the comparative frame. As early as 2004, Gert-Jan Hospers suggested that with EU enlargement "Europe's Rustbelt" would increasingly extend eastward, as industrial decline and restructuring were no longer a purely western European story. Yet eastern Germany itself remained largely absent from that picture.¹⁷ This is not surprising, because eastern Germany does not fit the familiar temporal script of western old-industrial regions. Its trajectory was marked by two foundational ruptures, in 1945 and 1989, and by four decades of socialism, which shattered older property relations, eliminated market institutions, damaged civic culture, and transformed the meaning of

¹⁵ Kim Leonie Kellermann, "Trust We Lost: The Impact of the Treuhand Experience on Political Alienation in East Germany," *Journal of Comparative Economics* 52, no. 1 (2024): 54–75.

¹⁶ Cf. Alexander Klein, "Two States, One Voice? The Integration of the East German Länder into the European Community's Regional Policy," *German Politics* (2025): 1–25; Wolf-Fabian Hungerland, "Germany's Reunification: What Lessons for Policy-Makers Today?," *Economics Observatory*, June 2, 2025.

¹⁷ Hospers, "Restructuring Europe's Rustbelt."

work, status, and self-reliance in ways fundamentally different from the West German or American case. The Ruhr, by contrast, continued to move within the institutional horizon of the Federal Republic and encountered deindustrialization largely as a post-1970s crisis of a western industrial order. That, however, is precisely why eastern Germany deserves greater attention. It does not replace the Ruhr or other regions in the comparison but complicates and sharpens them. What eastern Germany adds is not simply another example of industrial decline, but a more demanding case in which deindustrialization is inseparable from institutional rupture, asymmetric integration, and the question of who gets to rebuild a damaged political world in their own name. Seen in this way, a closer focus on eastern Germany also opens the comparison outward, to Central Europe, and to a broader transatlantic understanding of transformation regions.

Concluding Thoughts. Implications for Subnational Transatlantic Engagement

Above all, this transatlantic perspective helps bring into focus a common grammar of deindustrialized transformation. In both eastern Germany and the Rust Belt, loss acquires a visible material form, in abandoned works, vacant lots, shrinking downtowns, and worn infrastructures. It becomes socially embedded through unemployment, outmigration, demographic decline, and the erosion of long-standing local worlds. And it becomes politically charged when regions come to see themselves as marginalized not only economically, but also symbolically and representationally. Out of this can grow resentment and protest, but also efforts at reinvention. That is why the question of regional identity is so important. The decisive issue is how places once defined by coal, steel, and industrial labor can develop new futures without severing themselves from the histories that gave them meaning in the first place.

For transatlantic work on a subnational level, this comparison is useful because it shifts attention from abstract relations between states to concrete experiences of regions undergoing change. It allows eastern Germany to be seen not only as a recipient of transatlantic dialogue, but as a place from which these questions can be reconsidered. From this perspective, subnational transatlantic dialogue is most meaningful when regions recognize in each other structurally comparable experiences of loss, adaptation, memory, and contested renewal. That is where new forms of dialogue, partnership, and democratic learning can emerge.

These observations suggest several practical implications for subnational transatlantic dialogue.

- **Anchor transatlantic work more firmly in regions, not only in capitals.** Transatlantic relations must be understood not only from Berlin, Washington, or Brussels, but also from regions such as eastern Germany and the American Rust Belt, where questions of insecurity, identity, and representation are often felt most sharply.
- **Recognize eastern Germany as a source of experience, not only as a problem case.** Eastern Germany should be treated as a region that has accumulated specific knowledge about rupture, adaptation, asymmetric integration, and democratic contestation. These are experiences that can be brought productively into transatlantic debate.
- **Build dialogue formats between transformation regions.** Exchanges should connect actors from Saxony, eastern Germany, Pennsylvania, Ohio, or upstate New York, including universities, municipalities, unions, economic development initiatives, cultural institutions, and civil society organizations, in order to learn from structurally comparable regional experiences.
- **Place questions of agency and recognition at the center of programming.** Successful engagement in transformation regions requires more than discussing economic opportunity or foreign policy. It must also ask who

gets to decide, who is seen, who is taken seriously, and whether people feel they have any real influence over the futures of their own regions.

- **Treat regional identity, memory, and heritage as a central issue, not a secondary one.** Stabilization in transformation regions depends not only on investment, but also on whether people are able to reinterpret their own heritage and rebuild a regional identity that feels coherent, respected, and self-defined. This must be reflected in thinking about the future of transatlantic dialogue.
- **Support subnational networks beyond the usual elite circuits.** Transatlantic work should expand beyond ministries, embassies, and flagship universities to include regional actors with lived experience of transformation. This would create a broader and more socially grounded transatlantic infrastructure.
- **Build democratic legitimacy by engaging regions as political actors, not merely as policy targets.** In transformation regions, legitimacy is bound up with questions of belonging, dignity, participation, and the capacity to shape a future of one's own. Subnational transatlantic engagement should therefore connect democratic dialogue to regional renewal and social self-understanding. This also means recognizing such regions not as objects of interpretation from elsewhere, but as regional and political actors in their own right. To engage them as though they merely needed to be explained, corrected, or brought back into line would be to undermine the very legitimacy that democratic dialogue is supposed to rebuild.

About the Author

Eric W. Fraunholz is the Executive Director of the German-American Institute Saxony and a scholar with more than a decade of experience in transatlantic education, cultural diplomacy, and academic engagement. He specializes in American political thought, transatlantic relations, and political economy, combining academic research with applied work in international exchange and institutional cooperation. His research focuses on the historical and political dimensions of transatlantic intellectual exchange, including the role of German émigrés in shaping U.S. political economy during the New Deal era. He previously pursued doctoral research at Leipzig University on the political economy of German émigrés during the New Deal. He holds an M.A. in American Studies (with a focus on Political Science and Intellectual History) from Leipzig University and a B.A. in American Studies and Applied Informatics from the University of Bayreuth. He has been awarded a Fulbright Scholarship at San Francisco State University (2016) and a Volkswagen Foundation Research Fellowship at the Deutsches Literaturarchiv Marbach (2019).

Acknowledgments

I am grateful to the American Council on Germany for its trust, support, and generosity, and honored to have been selected as a McCloy Fellow on Global Trends. This journey would not have been possible without the time, expertise, and encouragement of many people before, during, and after my travels.

My sincere thanks go to Steve Sokol, Robin Cammarota, Emma McDonnell, and Rob Fenstermacher at the American Council on Germany; Jonathan Bach at The New School for Social Research; Kathrin DiPaola at 1014; Juliane Camfield and Sarah Girner at Deutsches Haus at NYU; Russell Berman at Stanford University; Ed Fogarty, Matt Luttig, and Sam Rosenfeld at Colgate University; colleagues and interlocutors at Syracuse University, the City of Hamilton and

Madison County; Tina Mengine at the Erie County Redevelopment Authority; Lena Surzhko Harned at Penn State Behrend and the Jefferson Society; Nicholas Chretien and Daniel Bancroft of the Economic Action Group in Youngstown, Mahoning County Office; regional partners in Pittsburgh, David Rossbach at Chatham University Pittsburgh, Sarah McCammon at Third Way; the Konrad Adenauer Stiftung in Washington; the German Marshall Fund; the German Embassy in Washington, DC; David Sirakov at the Atlantische Akademie; Walter Grünzweig at TU Dortmund; the German Consulate General in New York City; Gabriele Goldfuss at the City of Leipzig; Stormy Mildner at Aspen Germany; Alexandra Bandl at TaMaR Germany; Ohev Beth Sholom in Youngstown; and many others who contributed to this experience in generous and meaningful ways. I am especially thankful to the many students, faculty members, community members, local historians, economic development practitioners, and conversation partners across Erie, Youngstown, Pittsburgh, Syracuse, New York, and Washington who shared their insights with me. Above all, I want to thank the many lunch and dinner hosts, and those not formally affiliated with any institution, who invited me into their homes, showed me their favorite places, and entrusted me with their stories, experiences, and perspectives. Their openness gave this journey much of its depth, warmth, and humanity.