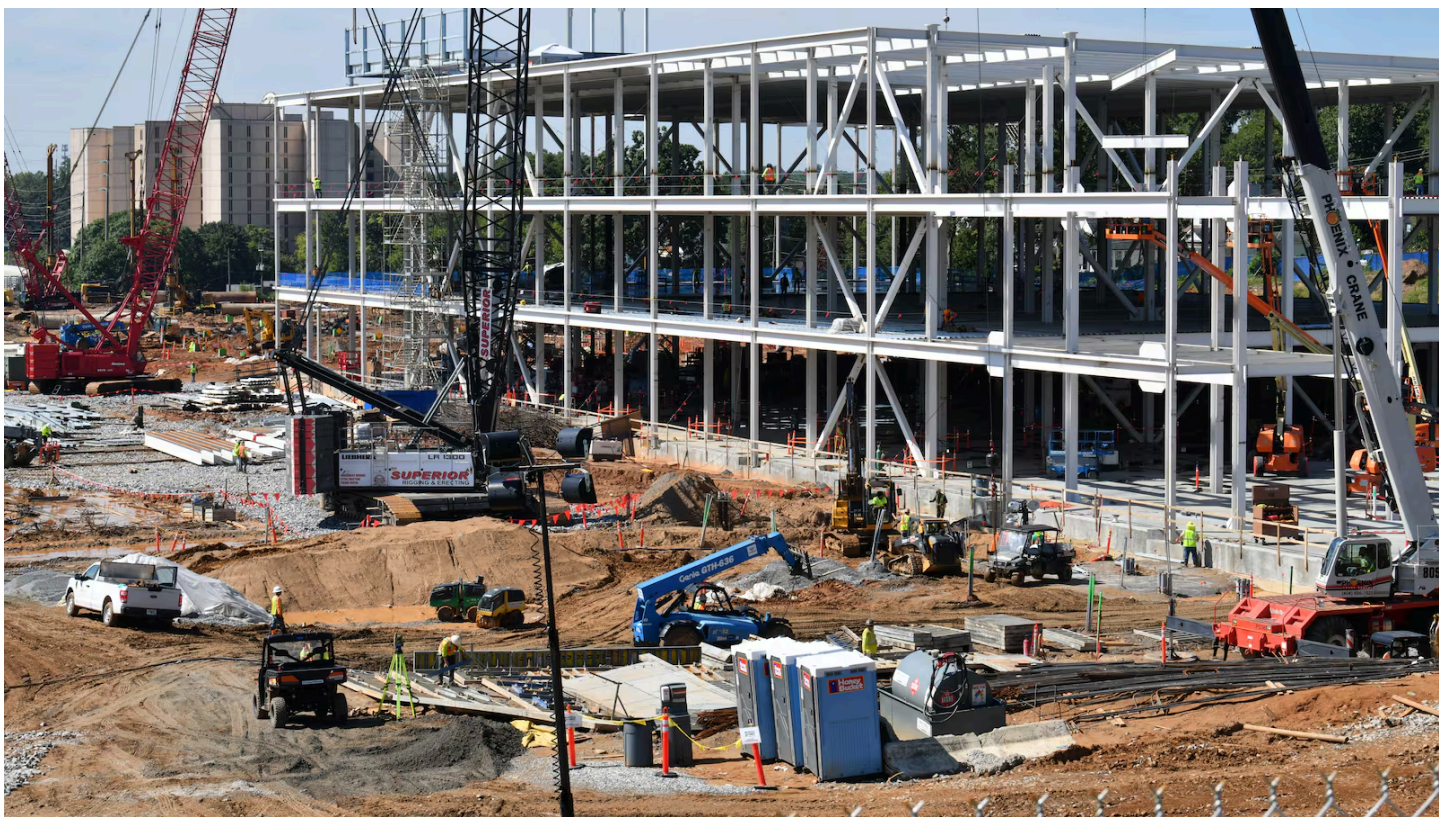


BUSINESS

Job market to slow in 2025, but Georgia has key advantages, experts say

Recent layoffs, closures and halted projects portend weakness in job growth.



Data center construction, such as QTS in Atlanta, is one of the areas of expansion in Georgia despite the slow job market forecast. (Hyosub Shin / AJC file photo)

By Kelly Yamanouchi and Mirtha Donastorg

Feb 27, 2025





Economic uncertainty is expected to slow job growth across the country this year, but there are some redeeming factors in Georgia's economy, according to a report Thursday from the Economic Forecasting Center at Georgia State University.

Georgia will add 50,900 jobs this year, down from 57,700 in 2024, Rajeev Dhawan, director of the center, predicts.



Rajeev Dhawan, director of the Economic Forecasting Center, says Georgia will add 50,900 jobs this year, down from 57,700 in 2024. AJC file photo

Dhawan cited multiple job cut announcements in metro Atlanta in recent weeks that show weakness in the job market.

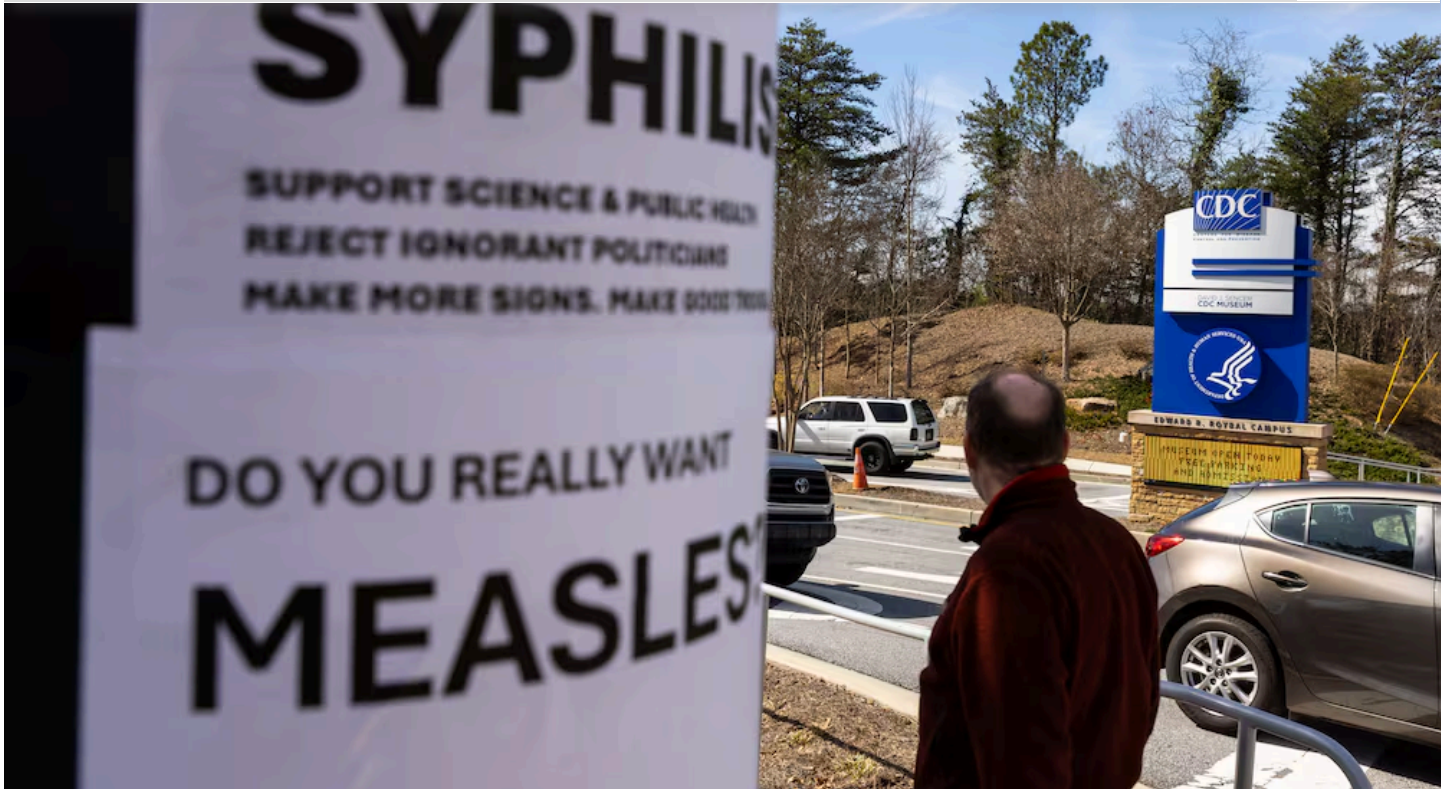
They include layoffs at CNN, closures of three Atlanta-area Macy's locations, job cuts at the Atlanta-based Centers for Disease Control and Prevention and pullbacks of two major electric vehicle battery plant projects — Freyr Battery's canceled \$2.6 billion plant in Newnan and Aspen Aerogels' halted factory near the coast.

Today's Top 5 Newsletter

Get caught up with today's trending stories

[Sign Up](#)

By signing up, I agree to the [Privacy Policy](#) and [Visitor Agreement](#)



Credit: arvin.temkar@ajc.com

Demonstrators protest the mass firing of 1,000 Centers for Disease Control and Prevention employees in front of the CDC headquarters in Atlanta on Feb. 18. (Arvin Temkar/AJC)

Key sectors that drive the middle class and their spending in Georgia — including corporate, information technology and business-to-business sectors — have lost nearly 9,000 jobs in the last 12 months and more than 31,000 jobs since the start of 2023, according to Dhawan.

In Georgia, one area of expansion is data center construction — though once the data centers are built and begin operations, they are not major job centers like office buildings, he noted.



Credit: Daniel Varnado

Filming in Midtown for Tyler Perry's "Beauty in Black" series on Feb. 19. (Daniel Varnado/For the Atlanta Journal-Constitution)

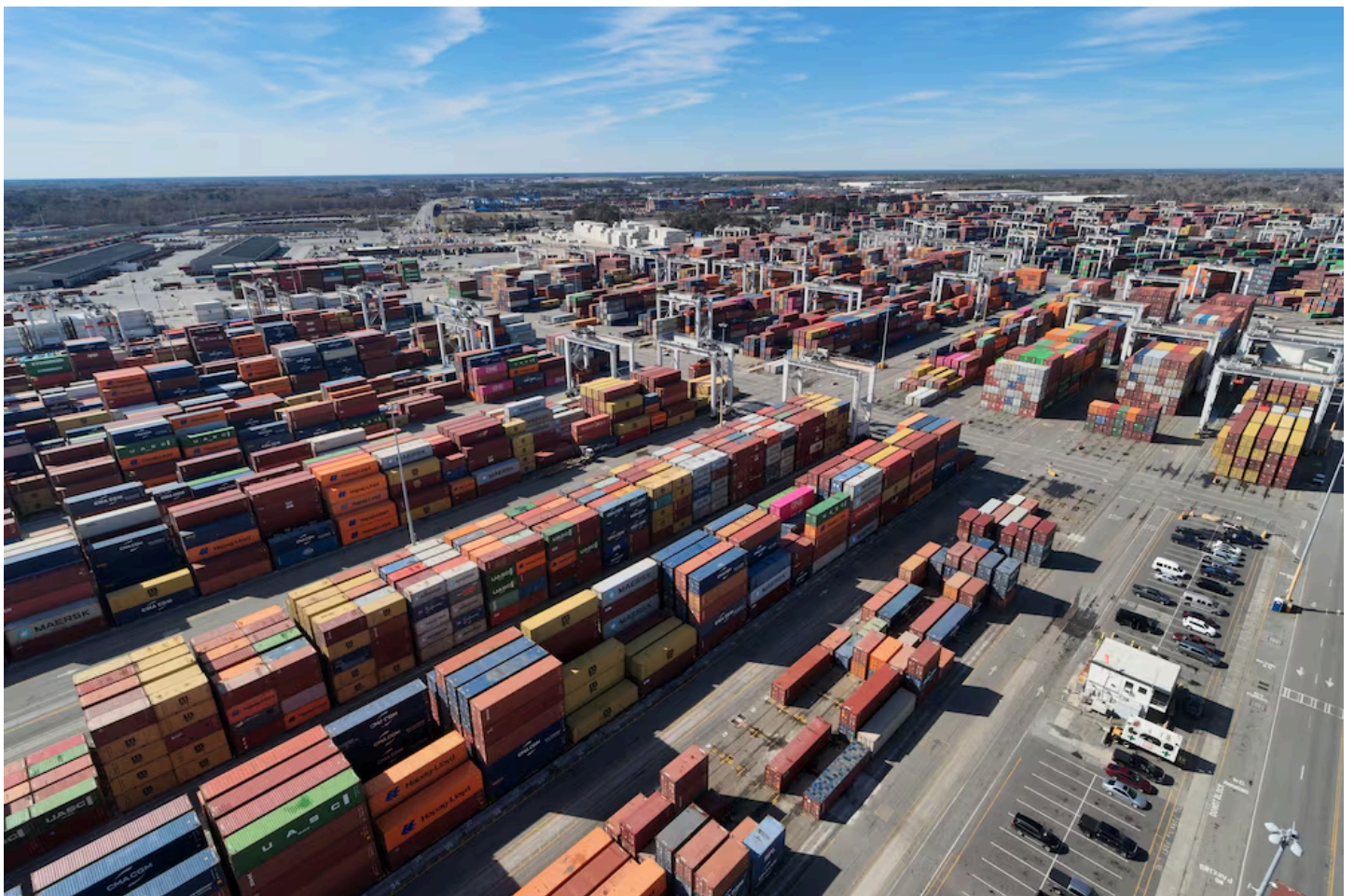
Georgia's film and TV industry could also see more productions moved to the state from Hollywood because of destruction caused by the Los Angeles wildfires.

Other areas of growth include the Savannah area, according to MarketNsight principal John Hunt, citing Hyundai's new electric vehicle manufacturing factory opened last year.

But an issue on the horizon is that a trade war sparked by new tariffs announced by the Trump administration could affect tonnage moving through the Port of Savannah, according to Dhawan.

Trump slapped 10% tariffs on Chinese goods and China retaliated with its own levies. On Thursday, Trump said he would enact another 10% import tax on China.

Trump put on hold 25% tariffs on Canada and Mexico, but said this week those taxes will go into effect next week.



Credit: Courtesy of Georgia Ports Authority

The Port of Savannah was the fastest-growing port in the East Coast and Gulf Coast during 2024.

But “overall growth will slow because of international and national factors,” Dhawan said.

Large firms are “gun shy” about hiring, he said.

“Right now, the undercurrent is that the large corporations have the mandate to do house cleanings in terms of employment headcount reduction,” Dhawan said.

Job cuts also affect the housing market, and “it’s going to be severe in some locations,” depending on the concentration of where CDC workers live, for example, according to Dhawan.



Credit: Miguel Martinez-Jimenez

Roger Tutterow, Kennesaw State professor of economics, addresses his remarks during the annual Synovus Economic Forecast Breakfast event for insights into the economic environment at Cobb Energy Performing Arts Center on Feb. 26. (Miguel Martinez/AJC)



Cuts of federal workers could also impact labor figures, Roger Tutterow, economist and professor at Kennesaw State University, said Wednesday at an economic forecast breakfast held by regional banking giant Synovus.

“When that occurs, it could have a dampening effect nationwide on employment. So, be aware of the next several months and quarters that there is an increased risk that this employment data gets dirty because of the efforts of team DOGE,” Tutterow said, referring to the Elon Musk-led Department of Government Efficiency that is spearheading federal cost-cutting measures.

Explore

DOGE claims \$25M savings by ending Atlanta company’s contract, but the math is murky

Tutterow added that he sees some positives for the economy because of the new administration’s efforts to “right size” government and decrease regulation, which could spur the energy sector and lead to more corporate mergers and acquisitions.

Still, there were nods at the breakfast meeting to economic uncertainties, including a big one hitting consumers at the grocery store and their favorite diner, Waffle House, [which recently enacted a surcharge on eggs](#).

“I hope everyone notices there are eggs on your plate, so the bank is doing well,” Synovus President and CEO Kevin Blair quipped. “But in the spirit of this administration ... we have to make it up. So, if you’re outside of Cobb County, just leave \$1 on your table, because I’m imposing a tariff.”



Credit: Miguel Martinez-Jimenez

Synovus Chairman, CEO, and President Kevin Blair speaks during the annual Synovus Economic Forecast Breakfast event for insights into the economic environment at Cobb Energy Performing Arts Center on Feb. 26. (Miguel Martinez/AJC)

Consumer confidence declined by 7 points in February, the largest monthly decline since August 2021, according to a consumer confidence index released by the Conference Board on Tuesday.

Inflation has hovered around 3% since mid-2023, above the Federal Reserve's target rate of 2%, "but the last mile of the journey is always the hardest," said Tutterow.

"We do expect one interest rate cut this year, possibly a second one late in the year," he said, though he acknowledged the speculation that potential inflationary tariffs and the consumer price index staying above the Fed's 2% goal could cause the central bank to raise rates.

But with those interest rate cuts, don't expect mortgage rates to also fall this year, Tutterow cautioned. The Fed directly affects short-term interest rates, not long-term rates like mortgages, which likely won't get down to 5% for some time.

"If you're thinking about buying a home, just understand waiting a couple months is not going to get you a five flat mortgage," Tutterow said.





There are bright spots on the horizon. Job market conditions in Georgia are expected to improve in 2026 and 2027, Dhawan’s forecast shows.

It’s still uncertain how tariffs may affect the economy.

“It’s only in 2026 when we have absorbed in all the machinations of the tariffs and everything, the job quality becomes better,” he said.

The Atlanta Journal-Constitution and Report for America are partnering to add more journalists to cover topics important to our community. Please help us [fund this important work here](#).

About the Authors

Kelly Yamanouchi



As business team lead, Kelly Yamanouchi edits and writes business stories. She graduated from Harvard and has a master's degree from Northwestern.

Mirtha Donastorg

