

Announcer (00:00):

C13 Originals.

Andrew Jenks (00:06):

If you have any tips about Jerry Falwell, Jr. or Liberty University, you can contact us at tips@ganstercapitalism.com or our tip line 347-674-6980. We can ensure anonymity.

911 Operator (00:29):

Bedford 911, what is the address of your emergency?

Becki Falwell (00:34):

(beep) Old Cifax Road.

911 Operator (00:36):

Okay, what's going on there?

Becki Falwell (00:38):

My husband fell earlier and is bleeding, his face has been hit and

911 Operator (00:43):

Okay, how long ago did he fall?

Becki Falwell (00:46):

An hour and a half, two hours ago.

911 Operator (00:48):

And how old is he?

Becki Falwell (00:49):

58.

911 Operator (00:51):

And where did he fall from?

Becki Falwell (00:53):

I don't know. It was nighttime and he fell from the stairs and there's a lot of blood right now.

Andrew Jenks (01:01):

During the last week of August 2020, the Falwells dominated news headlines. On the 24th, the pool boy story broke. On August 25th, Jerry Falwell Jr. resigned as president of Liberty. Then just two days later, the Politico story broke about Becki Falwell having a sexual relationship with one of her son's band mates, who was a Liberty student. One article's headline summed it all up, "A Terrible, Horrible, Very Bad Week," and that was just the Falwells.

Andrew Jenks (01:43):

And then at 2:28 AM on August 31st, Becki Falwell dialed 911.

911 Operator (01:51):

Okay, is he conscious?

Becki Falwell (01:53):

Yes.

911 Operator (01:54):

Did he lose consciousness? [crosstalk 00:01:57]

Becki Falwell (01:57):

Consciousness.

Jerry Falwell, Jr. (01:57):

No.

Becki Falwell (01:59):

No.

Jerry Falwell, Jr. (02:00):

[inaudible 00:02:00]

911 Operator (02:00):

Okay. So [crosstalk 00:02:02] did you just find him?

Jerry Falwell, Jr. (02:04):

[inaudible 00:02:04]

911 Operator (02:04):

I'm trying to figure out what's going on.

Becki Falwell (02:06):

I know, me too. So, he called me earlier and said, "I'm bleeding," and so then he had stopped, but now we were sleeping in the bed together and now he's bleeding, it's all over.

911 Operator (02:18):

Where is he bleeding from?

Becki Falwell (02:20):

His head, his ear, his nose.

911 Operator (02:21):

Okay, and does he seem with it to you or does he seem out of it mentally?

Becki Falwell (02:29):

Yeah.

911 Operator (02:32):

Okay and any other injuries?

Becki Falwell (02:35):

No.

911 Operator (02:36):

How many steps did he fall down?

Becki Falwell (02:40):

Two or three.

911 Operator (02:42):

Any alcohol?

Becki Falwell (02:44):

Yes.

911 Operator (02:45):

Heavily?

Becki Falwell (02:50):

I'm not going to answer that question.

911 Operator (02:50):

Okay, I just want to tell them because it thins out your blood, so if he's lost

Becki Falwell (02:54):

Oh, that's probably it then.

911 Operator (02:56):

That's why I'm asking.

Becki Falwell (02:58):

Okay, sorry.

911 Operator (02:59):

So is that a yes or no or just a little bit? I don't care either way.

Becki Falwell (03:03):

Okay, just say a little bit.

911 Operator (03:05):

I'm sorry?

Becki Falwell (03:06):

Little bit [crosstalk 00:03:08] because he

911 Operator (03:09):

Well, ma'am [crosstalk 00:03:10].

911 Operator (03:10):

Okay. I'm trying to help you, okay?

Becki Falwell (03:14):

Yeah, I know, I know, I know.

911 Operator (03:15):

Okay. Why won't he let you take him to the hospital?

Becki Falwell (03:19):

Because, why won't you let me take you to the hospital?

911 Operator (03:23):

What is the deal with that? I'm just asking, I'm going to send you help, that's no problem.

Becki Falwell (03:26):

Yeah, I know, he's a stubborn person.

911 Operator (03:28):

Okay.

Becki Falwell (03:29):

It's a little blood but it's a lot of blood.

911 Operator (03:32):

Okay. What is your name, ma'am?

Becki Falwell (03:34):

Becki Falwell.

911 Operator (03:36):

Okay, we'll get them out to you, if you could

Becki Falwell (03:39):

The more you're going to understand why we're not talking to you right now. I'm

sorry.

911 Operator (03:43):

Okay, well you're going to have to talk to somebody, so I'm going to send EMS and I'm going to send them out there to help you, but you need to apply some pressure to wherever it's bleeding if you can. If it's where you can apply pressure, do not remove it. If it becomes blood soaked, you add another clean cloth on top of it, don't remove it for any reason.

Becki Falwell (04:00):

Okay.

911 Operator (04:00):

If anything changes call me back.

Becki Falwell (04:02):

Okay and let me tell you, we, it's (beep) Old Cifax Road.

911 Operator (04:08):

Yes, you told me that. I've got it.

Becki Falwell (04:09):

Yeah. And we have a gate.

911 Operator (04:12):

[inaudible 00:04:12]

Becki Falwell (04:12):

Yeah.

911 Operator (04:12):

Okay.

Becki Falwell (04:12):

Thank you so much.

911 Operator (04:13):

Thank you.

Becki Falwell (04:14):

Are they coming right away?

911 Operator (04:15):

I'm dispatching them now, ma'am.

Becki Falwell (04:16):

Okay, thank you so much.

911 Operator (04:17):

Thank you.

Becki Falwell (04:19):

Bye bye.

911 Operator (04:19):

Bye bye.

Andrew Jenks (04:28):

From C13 Originals, a Cadence 13 studio, I'm Andrew Jenks and this is Gangster Capitalism, season 3, Jerry Falwell, Jr. and Liberty University.

Andrew Jenks (05:08):

The police report from the morning of August 31st, 2020 says that Becki Falwell told the officers responding to her 911 call that she was at church and then a neighbor's house until 11:00 PM, when she received the call from Jerry that he'd fallen and hit his head. Becki said she had to break into the house. Jerry told officers that he'd fallen down the stairs and hit his head on a trash can next to the stairs. There was blood in that area and empty alcohol containers. Even though he and Becki said that blood was coming out of his eyes, ears and head, Jerry declined medical attention. The report said that Jerry had slurred speech and would repeat things already asked. Various sources we've spoken with have gone out of their way to comment on Jerry Falwell's drinking, something Liberty strictly prohibits. One Liberty official, speaking about Jerry's drinking, said he knew not to engage with Jerry after 9:00 PM because he'd be belligerent. Even students like former senior class president, Addison Garner, were aware of Falwell's drinking.

Addison Garner (06:30):

Jerry Falwell would walk around campus intoxicated and be known for walking around campus intoxicated.

Andrew Jenks (06:38):

Liberty's recent lawsuit against Falwell, Jr. specifically cites his problem with alcohol, even mentioning that he smelled of it during work interactions. The employee handbook states that reporting to work under the influence is subject to termination. So if even the Liberty board was aware, why did they continue to let Falwell embarrass himself and the school? Like the time we were told about when attending a family wedding, a visibly intoxicated Jerry told a guest that he had Celiac's disease and the reason he had Celiac's, he said, was because his mother didn't breast feed him as a child. So Jerry, pointing to the young woman standing next to him, who was holding her new baby, said, quote, "I'm trying to reverse my condition, but Sarah won't let me hit the tap." Sarah is Jerry's daughter in law.

Andrew Jenks (07:42):

Here's Christian investigative journalist, Julie Roys.

Julie Roys (07:48):

Almost every Christian leader that I have reported on that has ended up falling from grace, has ended up getting removed or fired, almost always it's their pride that brings them down. It's their pride. It's like they almost live in this world where for so long they've been king and nobody dares say anything to them. It's almost like they begin to live in this alternate reality where it's only them that exists. They make all the rules and they'll never be held accountable and they're shocked when they actually are held accountable. It is pride.

Julie Roys (08:23):

But, many people got behind Jerry Falwell, Jr. because they love Liberty. They have this wonderful Liberty experience and they also love Jerry Falwell, Sr. A lot of them still really love who Jerry Falwell, Sr. was. I think that's part of it and there's a certain amount of sentimentality there.

Jerry Falwell Sr. (08:47):

Prayer is the most powerful force in my life and yours. The Bible promises us that if we pray scripturally, properly, we can be confident that God will answer us according to his will for us every time.

Dirk Smillie (09:05):

Jerry Falwell, Sr. was a larger than life figure.

Andrew Jenks (09:10):

This is Dirk Smillie, author of the book Falwell Inc.

Dirk Smillie (09:15):

And he had a way of ingratiating himself with people, people instantly liked him, they instantly felt a connection to him and he was very self deprecating. You know, honestly, he was a very likable character at a personal level.

Andrew Jenks (09:32):

Jerry Falwell, Sr. was born in Lynchburg, Virginia in 1933, where nine generations of Falwells have lived. His father, Kerry Falwell, was a bootlegger during prohibition, who abstained from alcohol. One day he got into an altercation with his brother, who was drunk, and when his brother tried to shoot him, Kerry shot back in self defense, killing his brother.

Dirk Smillie (10:00):

So after that death of his brother, Jerry Falwell's father really developed a very bad drinking habit. He became a hard core alcoholic and ultimately died of cirrhosis of the liver.

Andrew Jenks (10:15):

One former Liberty official, who was close with both Jerry Falwell, Jr. and Senior, called alcohol the family sin. But Jerry Falwell, Sr. turned away from alcohol after his father died and towards Christianity. In June of 1956, at the age of 22, with just 35 members, he founded the Thomas Road Baptist Church in Lynchburg.

Dirk Smillie (10:43):

Jerry Falwell's brand of Christianity was a macho brand of Christianity. It was a kind of a no compromise approach. The belief that every word of every book in the Bible, that is all 66 books of the Bible, every word is essentially dictated by God and he always made it personal. I think that was one of the keys to his success.

Andrew Jenks (11:13):

Just weeks after founding his church, Falwell began a radio ministry and then six months later, a TV show called The Old Time Gospel Hour.

Jerry Falwell Sr. (11:22):

Good morning, and I welcome you to the morning service at the Thomas Road Baptist Church in Lynchburg, Virginia. I'm Jerry Falwell, pastor here, and it's a real joy every Sunday morning over this station at this time to share with you our morning worship service. Isn't it grand to be a Christian?

Andrew Jenks (11:42):

His easy manner resonated and his following continued to grow quickly.

Andrew Jenks (11:48):

This was during the time of desegregation and Falwell preached about that, too. Though he changed his views later in life, in one of Falwell's early sermons, he said, quote, "The true Negro does not want integration. He realizes his potential is far better among his own race," and integration will, quote, "Destroy our race eventually." By 1967, Falwell founded the private school, Lynchburg Christian Academy, which, as its website says, was formed to provide a Christian education to children in central Virginia. But a Lynchburg News article from that time described it as a private school for white students.

Andrew Jenks (12:36):

Here's Dr. Randall Balmer, an author, historian and professor at Dartmouth College, who specializes in Evangelicalism in America.

Dr. Randall Balmer (12:47):

As desegregation began to take hold, many church groups, sadly and regrettably, started their own schools so that white children could be educated along with white children and not be educated in integrated contexts and that was the catalyst for Jerry Falwell's formation of Lynchburg Christian Academy, for example.

Dr. Randall Balmer (13:13):

That pattern was replicated many, many other places throughout the country.

Andrew Jenks (13:19):

And just four years after founding LCA, in 1971 Falwell, Sr. founded tiny Lynchburg Baptist College with only 154 students. As he struggled to keep the college afloat, surviving mainly off of donations, Falwell, Sr. began to lean more into politics. Here he discusses why.

Jerry Falwell Sr. (13:44):

The Evangelical church, in most of this century, has been virtually uninvolved in political and social issues. I'm often asked, "What changed your mind on involvement and participation?" As one who very much opposes abortion on demand as legalized by the Supreme Court in 1973, I suppose that was the straw that broke the camel's back, but there were many other issues as well.

Andrew Jenks (14:10):

Here, Randall Bomber describes one of those other issues.

Dr. Randall Balmer (14:16):

Now the standard explanation about the awakening of Evangelical political activism in the 1970s is that they were motivated to do so by the Roe v. Wade decision of January 22, 1973. According to this narrative, Evangelicals were just so morally outraged by that decision that they decided to set aside their apolitical ways and organize in order to redress this terrible moral abomination of legalized abortion. It's a wonderful story and it is also an utter fabrication. I can tell you with absolutely no equivocation that this was not the case. I call it the abortion myth.

Dr. Randall Balmer (15:09):

What got Jerry Falwell and other Evangelical leaders interested in politics in the 1970s was not opposition to abortion, and Falwell, by his own admission, did not preach his first anti abortion sermon until February 26, 1978, more than five years after the Roe v. Wade decision. What got them involved in politics was a defense of racial segregation in Evangelical institutions.

Andrew Jenks (15:45):

It was two years prior to Roe v. Wade, in 1971, the same year that Falwell began Lynchburg Baptist College, that the IRS went after Bob Jones University for its exclusion of Black applicants.

Dr. Randall Balmer (16:01):

When the IRS started to go after these Evangelical institutions because of their racial policies, that is what caught the attention of Jerry Falwell and these other leaders and is what mobilized them into a political movement in the 1970s, in the late 1970s, not in direct response to Roe v. Wade.

Andrew Jenks (16:26):

According to Randall Bomber, it was the fact that Bob Jones University had to pay \$1 million in back taxes that spurred Jerry Falwell and others to mobilize their community. It was money, not abortion.

Andrew Jenks (16:44):

Kristen Du Mez is a scholar of American Christianity and a professor of history at Calvin University. Dumez is also the author of *Jesus and John Wayne, How White Evangelicals Corrupted a Faith and Fractured a Nation*.

Kristen Du Mez (16:59):

Early on, Jerry Falwell, Sr. said that he thought it was a really good idea to stay out of politics. In fact, he chided other Christians for being too active in politics. So he argued that to be a Christian was to have inner regeneration and not try to transform the outside, not try to engage in cleaning up society and this kind of political activism. And that's really confusing for a lot of people who know his later significance as one of the real architects of the religious right. But it's important to understand that that was back in the 1960s and he was speaking directly to Civil Rights activists. So Jerry Falwell, Sr. was a segregationist and he was chiding Christians who were ministers and marchers who were marching in the Civil Rights movement.

Kristen Du Mez (17:49):

He changed his tune significantly by the late '70s and he really became an important figure in consolidating conservative Evangelicals, turning them towards not just political engagement, but very partisan political engagement, uniting with the Republican party.

Andrew Jenks (18:12):

Du Mez says that Falwell, Sr. was instrumental in creating a God and country style of Christianity.

Kristen Du Mez (18:20):

In the mid '70s, 1976, the bicentennial, he was all over that. He had I Love America rallies and Clean Up America campaign, so he was already changing his tune, so we need to bring a moral revival, pro family politics. Other activists see his position of influence and they nudge him in this direction and he ends up founding the Moral Majority and really takes this vision nationally and is able to really draw together Evangelicals who had already embraced conservative politics to a large extent. They had already embraced family values politics and he's able to mobilize them to act as this highly motivated voting block. And they are doing so to save Christianity, they are doing so to defend America and so he's really a critical figure in taking Evangelicals who are already identifying culturally and really activating them as this incredibly powerful political force.

Jerry Falwell Sr. (19:28):

We have three fold primary responsibility. Number one, get people saved, number

two, get them baptized, number three, get them registered to vote.

Andrew Jenks (19:42):

Jerry Falwell, Sr's Moral Majority, founded in 1979, became the most influential political action group of the religious right. Falwell and his group are credited with helping to put Ronald Reagan in the White House.

Reporter (20:02):

As you go about bringing your new government and selecting the people who are going to head the cabinet, be in your cabinet and run the government, how much consideration are you going to give to the advise of these new conservative organizations and the Moral Majority and people like the Reverend Jerry Falwell?

Ronald Reagan (20:15):

I am going to be open to these people. I'm not going to separate myself from the people who elected us and sent us there.

Andrew Jenks (20:27):

Falwell Sr. was now a famous figure, at the vanguard of the conservative Christian establishment and his ministry was bringing in millions in donations and tiny Lynchburg Baptist College had grown, too. By 1985, it had become fully accredited as Liberty University. The school's motto was, "Training champions for Christ," and in 1987, it gained its non-profit status.

Jerry Falwell Sr. (20:58):

Liberty University is the result of what I call the original vision. I clearly remember when the spirit of God first spoke to me about building a university that provides for Evangelical Bible believing young people, what Notre Dame and Brigham Young provide for Roman Catholic and Mormon young people, a world class, Christ honoring, soul winning university with all the attributes of academic excellence and qualitative education.

Andrew Jenks (21:40):

But the problem is that you need a lot of money to build a thriving university.

Andrew Jenks (21:46):

For years, Liberty survived on donations. But after the televangelist scandals of the late '80s, donations plummeted and Liberty University's debt ballooned to \$100 million. So Falwell, Sr. brought in a young attorney fresh out of UVA Law School to help cut the deficit. His son, Jerry Falwell, Jr.

Jerry Falwell, Jr. (22:15):

I came in as a general counsel to the university and my job was mainly to manage debt because the university was no longer receiving the contributions from the television ministry and so we really had to restructure the university so that it operated on its on tuition.

Andrew Jenks (22:36):

In Falwell, Sr's autobiography, he wrote, quote, "I'm certain that we will become a world class university, training champions for Christ in every important field of study and I'm asking God to give me more time to guide and fund that dream." A bailout came in the form of a \$70 million donation and with an early form of distance learning, where the school would send out VHS tapes of lectures to students. Liberty began to see itself climbing out of the red. But Falwell, Sr's time was cut short on May 15th, 2007 after collapsing in his office at Liberty.

Andrew Jenks (23:19):

Here is audio from his funeral.

Speaker 14 (23:22):

Father without dreams, of course, there wouldn't be a Liberty University. Father thank you for giving us the dreamer. Father, the one who dared to believe that he could change his city and a country and a culture and maybe even the world.

Andrew Jenks (23:41):

The day after their father's passing, Falwell, Sr's younger son, Jonathan Falwell, took over the pulpit at Thomas Road Baptist Church and his older son, Jerry Falwell, Jr., ready or not, took the reins at Liberty. Falwell Inc author Dirk Smillie spoke to Falwell, Jr. at this time.

Dirk Smillie (24:04):

A few days after Jerry Falwell died, I went to see Jerry Jr. at his farm down in Bedford County and we started talking about all the new responsibilities he was going to have in taking over his father's position as chancellor. He had no interest in being in the spotlight. His role has always been behind the scenes and that's the way he would have liked to have kept it. And I said at one point, "Well, you're really going to be in the spotlight now," and he had a look on his face as if he was being taken to the guillotine.

Jerry Falwell, Jr. (24:56):

It didn't make any money for the school in the first 20 years, it was more an experiment than anything else. It took about 20 years to perfect it and to get the academic quality comparable to the resident program but when we did, that was about when everybody started getting high speed internet in their homes.

Andrew Jenks (25:16):

Jerry Falwell, Jr. is speaking about Liberty University Online, a successor to what his father had begun with an early form of distance learning, sending out video tapes of Bible lectures to students. Falwell, Jr. took over as president at Liberty in 2007, which coincided with both high speed internet access and the great recession, where so many had lost their jobs and were searching for a new path from home. The Liberty Online money faucet was turned on.

Jerry Falwell, Jr. (25:47):

I think my father, just before he passed away, we had net assets of about \$100 million and now we have net assets of about \$2.5 billion. We had almost no endowment back then and now we have an endowment of about \$1.5 billion. I don't think any other school has built an endowment that size that quickly in history. And really our goal was never to make anybody rich. We've had people work at Liberty whose only goal was to try to find a way to cash in personally on the school's profits and they didn't last very long. They ended up getting let go because that was never the goal. Our goal was always to make Liberty financially stable so that it could sustain and carry out its mission in perpetuity.

Alec McGillis (26:40):

Right. And keeping costs down, which you have done well, I noticed some of the numbers on per student spending...

Andrew Jenks (26:46):

Falwell, Jr. is speaking to Alec McGillis. McGillis, a journalist and author of the book Fulfillment, Winning and Losing in One Click America, is interviewing Falwell, Jr. for a 2018 story published in Propublica and The New York Times Magazine about Liberty University's online program. The article was called Billion Dollar Blessings. But McGillis wasn't writing about a success story.

Alec McGillis (27:19):

I got a tip from a student who had taken classes at Liberty University Online and had felt cheated and I was sort of vaguely aware of how much Liberty had gotten into that whole business, how big that was all getting. I made a request to the State of Virginia, they have a small agency that oversees the colleges in Virginia and to my delight and surprise, I got this huge cardboard box back that showed up on my porch in Baltimore with all these files of all the complaints that this agency had received from students who had taken classes and were upset about what had happened and that's when I realized, when this big box thuds onto the porch, that there was a story there.

Student 1 (28:05):

I had substantial evidence and documents that support neglect and improper handling of regulations.

Student 2 (28:10):

The conduct is so brazen, pervasive and intentional that it shows systemic professional incompetence.

Student 3 (28:16):

I was enrolled for four days. I never attended any classes and they charged me over \$5500.

Student 4 (28:23):

I need for this matter to be investigated.

Alec McGillis (28:28):

These students were having these troubles going back years at Liberty. I started digging into this and I realized that there was this whole other part to this that people were not aware of, that the Liberty we saw, this huge gleaming campus with all these new buildings and all these bright eyed students in Lynchburg, was in fact a front and that there was this whole other universe out there around the country of these desperate people that were signing up for these online courses and that was what was fueling this huge empire.

Lydia Terry (29:07):

My marriage was hitting a very rough spot and I didn't see it continuing as a viable relationship and I wanted to be able to support myself and a couple of people told me I should really consider becoming certified as a teacher.

Andrew Jenks (29:32):

This is Lydia Terry from upstate New York. Lydia was 48 years old when she saw the ads for Liberty Online.

Lydia Terry (29:41):

Liberty University seemed to be my best option. I was looking for a supportive environment, I was going through a rough patch and I thought maybe that religious underpinning would help them be supportive, so I decided to pursue my degree through Liberty and I registered. So I took out loans and I figured, okay, I know I'm not the only person with an education certification that has loans, there's got to be a way to make this work.

Alec McGillis (30:18):

Part of the appeal of these courses for a lot of students out there who are looking for online options and are trying to choose between the various companies and programs and universities, a lot of them were drawn in the first place to Liberty not just because the courses tend to be on the cheaper side, but because it has this kind of Christian aura. A lot of these people chose Liberty because they figured it was not going to screw them because it was, quote, "Christian," and, in fact, what they found was just the opposite.

Andrew Jenks (30:49):

Lydia did well in several of her online courses, but she was told she'd failed another. Lydia says she wasn't given any feedback as to why she'd failed. But in one email exchange that Lydia shared with us, her online professor told her, quote, "Perhaps a local library will be able to help you find an improved work space."

Lydia Terry (31:12):

When I replied, "Well, I have a quiet place to work, I have my own apartment," they

said, “Well maybe you should pray.”

Andrew Jenks (31:22):

Lydia had issues in another class with assignments she’d turned in not registering in the system. She put in support tickets, reached out to her guidance counselor and even provided screen shots of her submissions as proof. She failed that class as well.

Lydia Terry (31:42):

I prayed every day because I knew things were going sideways and I didn’t know what to do next. That was the point I had decided, you know what, I’m done and realized the best thing I could do for myself was walk away.

Andrew Jenks (32:04):

Lydia stopped attending Liberty Online, only a few courses away from obtaining her masters degree. But she completed enough credits to earn an undergraduate degree and she hoped that it would help her find some kind of employment.

Lydia Terry (32:20):

When I reached out to the New York State Department of Education, I was told none of the credits counted in New York State. I was heartbroken. At that point I had \$89,000 in loans. It’s over \$100,000 at this point.

Andrew Jenks (32:50):

Alec McGillis wanted to figure out how people like Lydia were drawn into Liberty Online. The school’s most recent tax filing from 2019 shows that the school paid \$18.3 million to Google for advertising to generate leads for potential students. Those leads have to be followed up on quickly to beat out the competitors and often, Alec found out, LUO’s massive call center would follow up on leads within minutes.

Alec McGillis (33:25):

You have hundreds of people having to make call after call to try to hook new students, to recruit new people. There are no explicit quotas because they are actually banned by federal law, but there was definitely the expectation that you were supposed to get eight new customers a day. That was the number that workers cited to me. You have a board at these buildings that ranks people by red, yellow and green status based on how well you’re doing or how poorly you’re doing. You’re frowned on from even taking bathroom breaks. Some of the people working in the call center described how incredibly traumatic they found the experience and these employees said that they often just felt really bad for these people, knowing that they were selling them something that was so sub par, that they weren’t going to get their money’s worth. I spoke to the people who were designing the courses, creating these courses to be as paint by numbers and pre-fab as possible so that any professor, any instructor could come along and teach it. It’s really an assembly line operation.

Andrew Jenks (34:32):

By 2020, over 100,000 people enrolled in Liberty's online courses, coming off of a year where Liberty students received over \$723 million in financial aid from the Department of Education. The second highest amount of any school in the nation.

Alec McGillis (34:55):

That's really, in a way, the most remarkable thing about all this, that this incredibly influential, conservative Christian university that has had such an influence in our politics and such an influence in bending our politics to the right, most notably through the election of Donald Trump, is actually being funded by the American taxpayer, by all of us.

Andrew Jenks (35:20):

Falwell, Jr. says that shortly after winning the 2016 presidential election, Donald Trump asked him to be his secretary of education. Falwell declined and Trump went with Betsy DeVos instead. But Falwell now had a sympathetic ear, who'd listen to his requests to repeal some Obama regulations. "I've got a whole list of concerns," he told The Washington Post. DeVos eventually repealed several of the Obama regulations, which Falwell sought to overturn.

Alec McGillis (35:56):

There was a clear business motivation for Jerry Falwell, Jr. to endorse Trump and play such a huge role in getting him elected because Trump then comes into office and appoints Betsy DeVos secretary of education, Betsy DeVos has very little experience in education but is a long time ideological supporter of for profit education, of de-regulating education and adopting a business model in education and so you just saw right away the quid pro quo nature of the Falwell support for Trump.

Alec McGillis (36:31):

One of the things that was most striking about my interview with Falwell, Jr. was just how candid he was about the access and influence that he had with Trump and DeVos and the fact that they had managed to send in all these recommendations to further de-regulate this whole realm and that they were thrilled to see those recommendations being taken right up.

Jerry Falwell, Jr. (36:49):

They did a lot of work and they put together a lot of materials for the administration and the DOE and we don't know that that's where the ideas came from, but a lot of what we sent them actually is what got implemented.

Andrew Jenks (37:06):

When Jerry Falwell, Jr. took over as president of Liberty University after his father passed in 2007, the school had net assets of \$150 million. In 2020, that number was over \$3 billion thanks to Liberty Online.

Jerry Falwell, Jr. (37:25):

I can't take credit for saying that I saw the huge potential of the online, I have to give credit to the team that was in place. I was coming from a background of restructuring debt, fighting with creditors, trying to cut expenses and all of a sudden he died and I had to become interested in the revenue side.

Alec McGillis (37:44):

Right.

Jerry Falwell, Jr. (37:44):

So it then became apparent to me what he had been preaching all along, that the key to saving Liberty was revenue, not cutting expenses.

Andrew Jenks (37:58):

Falwell, Jr. likes to brag about how much Liberty's endowment has grown under his watch. But still, he never completely abandoned his eyes for cutting costs, especially when it came to the faculty on campus, whose views of the online program, as Falwell says here, needed taming.

Jerry Falwell, Jr. (38:21):

Our faculty was against it. They finally embraced it and, for the most part, they all are strong supporters of it now and many of them teach online courses. But the big victory, though, was finding a way to tame the faculty and to get the faculty to accept it and to understand that education could be delivered in non-traditional ways because they just didn't understand that. They've been taught all their lives you stand in a classroom and you teach 25 kids.

Andrew Jenks (38:53):

As the financial success of the online program redefined the way Jerry Falwell, Jr. thought about the business of Liberty University, it began to affect education on campus.

Andrew Jenks (39:07):

This is Karen Swallow Prior, an author and professor who taught English at Liberty for over 20 years before stepping down in July of 2020.

Karen Swallow Prior (39:19):

When I was department chair I was in a meeting and the dean mentioned some parents had come to campus for graduation and the parents learned upon arriving at campus that their son had spent his last semester in his apartment in his pajamas taking classes online instead of going to class and everyone in the room thought that was funny and I was mad. What's happening in the classroom with these young people who are paying so much money to go away to college and to have this liberal arts education, their education is being shaped and formed and dictated to by this larger machine of online education. It is the tail that is wagging the dog.

Andrew Jenks (40:08):

And while many say the online program diluted the quality of the education that the students received on campus, for the faculty it also came at the expense of their livelihood.

Karen Swallow Prior (40:22):

I saw courses that I had been teaching for years no longer being offered because I had been made to put them online. Once they went online they were available not only to online students who were not on campus, but they were also available to residential students. So we were finding fewer and fewer students in the classroom seats and gradually fewer and fewer residential faculty were needed.

Andrew Jenks (40:52):

Here is Marybeth Baggett, who also stepped down from Liberty in 2020 after teaching English at the school for 17 years.

Marybeth Baggett (41:02):

The whole faculty was brought together and we were told that many of us would be getting a change in assignments and what they did was move many of the faculty who had been teaching residentially to online contracts and they were basically being told you will teach online or you do not have a job.

Marybeth Baggett (41:28):

It was devastating to faculty morale. When you're a residential faculty member, I mean, part of your joy of your vocation is to go in and to teach. That was really such a turning point for me for better understanding the way that Jerry Falwell, Jr. thought about his faculty and the way that the leadership would go along with it and it really showed me how much they treat is as transactional. The faculty were not really an essential member of the community, they were really turned into just this cog in the machine.

Andrew Jenks (42:04):

General education requirements were removed for classes in many of the humanities departments and a low enrollment policy was instituted, which established a minimum threshold for the amount of students required for each class. If that number wasn't reach, the course load of that professor was prorated and they had to take on another class in order to compensate. The pressure to enroll students in classes intensified.

Marybeth Baggett (42:37):

Often faculty were pitted against one another like a competition, almost like a Hunger Games. The School of Education had a major bloodletting. About a third of the faculty was non-renewed. It was another cost cutting measure to their online program. Going back into the building and seeing the empty offices, it's devastating emotionally.

Andrew Jenks (43:04):

And it wasn't just individual professors who were in jeopardy. You heard Mark Tinsley last episode, talking about his time as an LU police officer. Later, Tinsley became part of the academic faculty at Liberty, eventually becoming the dean of the College of General Studies, a position he held until he left in 2017.

Mark Tinsley (43:28):

So any liberal arts college of any reputation is going to have certain humanities majors. You're going to have your English, you're going to have history and you're going to have philosophy. Philosophy is a foundation of higher education. The PhD is a doctor of philosophy. Yet Liberty made a decision to get rid of its philosophy program. They still have some philosophy classes, but they don't have a philosophy degree program any longer. And that was a completely financial decision. The philosophy program at any university is typically small and is not going to be a major money maker for you, but as soon as Liberty says, "Okay, we're getting rid of our philosophy degree," they send a very pointed message to the world and that is, you know what, critical thinking, philosophy, the ability to know who we are, where we are in the world, what we're all about, these don't matter to us because they don't have a robust bottom line.

Andrew Jenks (44:30):

And, of course, the philosophy department taught its students how to contemplate their faith. Well, in addition to the philosophy department being cut, in May of 2019, 12 members of the School of Divinity were also told they would not have their contracts renewed.

Mark Tinsley (44:50):

There's not been a focus since Jerry Sr. died on the religion program and on the seminary because there's not a lot of money in training up pastors.

Andrew Jenks (45:02):

Jerry Falwell, Jr. has said on more than one occasion that he was never called to be a pastor like his father and brother, but rather he's a UVA trained lawyer and commercial real estate developer. A businessman. Liberty has become an incredible business under his watch, but at what cost?

Andrew Jenks (45:25):

Here's Christian investigative journalist Julie Royce.

Julie Roys (45:30):

Liberty is the biggest Christian university in the country and rightly or wrongly Jerry Falwell, Jr. was seen as the spokesperson, as a figurehead for Evangelicalism, which is really unfair to Evangelicalism in many ways. I mean, Jerry Falwell, Jr. was a lawyer and he would even say repeatedly, "I'm not a pastor. I'm not a pastor." It's like he knew that he shouldn't be a spiritual leader, and yet here he was, the

president of this Christian university. He did a great job of building the business of Liberty University, but spiritually he decimated the place.

Andrew Jenks (46:14):

Here's Marybeth Baggett again.

Marybeth Baggett (46:17):

It really did come down to money constantly. That was the decision maker time and time and time again. Obviously you need money to run a school, I get it, but that should not be the driving factor. It's a non-profit, how in the world do they have a \$1.6 billion endowment? It's a non-profit. But it's presented as we're trying to steward our money well, but what's an endowment for, other than protecting programs that are really important but perhaps aren't that lucrative?

Andrew Jenks (46:52):

In Jerry's interview with Alec McGillis, he makes a comment about his perspective on the school and the students that may be more revealing than any of his other statements.

Jerry Falwell, Jr. (47:03):

I'm not going to say that we've done better because we're better people, but what I will say is we've always operated from a business perspective and we've treated it like a business, customer service with the students being the customers has always been paramount. I think if more schools operated like businesses, we'd be in a tough spot.

Andrew Jenks (47:28):

Students as customers? Many think Falwell, Jr's focus on making the school a lucrative business has also been the very thing that's driven it further and further from his father's original mission, building champions for Christ.

Andrew Jenks (47:45):

In April of 2019, Liberty's bylaws were amended to state, quote, "The president provides spiritual and world view leadership to the university." Falwell himself voted to adopt those rules. And then, of course, shirked any form of spiritual leadership. In fact, many of the people we've spoken to, like Marybeth Baggett, have questioned Falwell, Jr's spirituality.

Marybeth Baggett (48:14):

There's so much that I love about Liberty University, obviously, that's another reason why I speak up. I want it to be better, I want it to do better. It would be nice to have someone who manifests Christian values and takes seriously his faith at the head of Liberty University.

Marybeth Baggett (48:31):

Jerry Falwell, Jr. was given the reins of this school that has so much potential and

he squandered it. Making money is not the only thing. What does it profit a man if he gain the whole world and lose his soul? The value of the education, I mean, that matters and what Liberty could offer to the world that matters and I only hope that it's not completely lost.

Andrew Jenks (49:09):

On the next episode of Gangster Capitalism.

Marybeth Baggett (49:12):

It still is an extremely unhealthy environment. To know that you are completely expendable, you had this perception that you could easily be next.

Andrew Jenks (49:24):

Liberty's students, faculty and employees much watch their every move, or else.

Speaker 25 (49:31):

The bottom line is your services won't be needed.

Speaker 26 (49:34):

So I'm fired?

Speaker 25 (49:35):

Fired is not the right word. We're not firing anybody, we're just not putting you in that position.

Speaker 27 (49:40):

The censorship we experienced was just one piece of a much broader, more violent picture. Even now, post Falwell, that culture of fear remains.

Speaker 28 (49:50):

So many of us, we use the phrase, "We got out." If you're able to leave the university and get gainful employment somewhere else, hell yeah, high five. Next round is on me, you got out.

Andrew Jenks (50:03):

If you have any tips about Jerry Falwell, Jr. or Liberty University, you can contact us at tips@gangstercapitalism.com or our tip line, 347-674-6980. We can ensure anonymity.

Andrew Jenks (50:24):

This has been a creation and presentation of C13 Originals, a Cadence 13 studio. Executive produced by Chris Corcoran, Zak Levitt and myself. Written, produced and directed by Zach Levitt. Produced by Perry Crowell and myself. Research and production support by Ian Mandt. Editing by Perry Crowell and Bill Schultz. Mixed and mastered by Bill Schultz. Production coordination by Terence Malangone. Studio coordination by Sean Cherry. Artwork and design by Curt Courtenay.

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