

Making Jesus Springs: How Economic Change Stoked the Culture Wars

This report, an abridged version of my first chapter, explains how economic change—not religious revival or political activism—transformed Colorado Springs into “Jesus Springs,” home to dozens of evangelical Christian ministries. Cutbacks in military spending and the bursting of a real estate bubble shattered the city’s economy in the mid-1980s. The local business community sought to rebuild by courting evangelical Christian ministries. Many of these ministries were swayed by the Colorado Springs Chamber of Commerce’s promise of cheap property, low wages, and low taxes. The result: dozens of Christian ministries, ranging from one-person operations to multi-million-dollar enterprises like Focus on the Family, moved to the city between 1980 and 1995. This great migration created a new geography of evangelicalism in the United States, one that centered on Colorado Springs. My chapter unearths the political economy of the Christian Right, showing how Colorado Springs was transformed by the confluence of evangelical Christianity and free-market economics. A grant from the History Project and the Institute for New Economic Thinking funded the research that made this report—and the chapter it comes from—possible.

The dedication of Focus on the Family’s new headquarters in Colorado Springs, Colorado, was a day to remember. Held on Saturday, September 25, 1993, the ceremony began with the Air Force Chorale performing “The Battle Hymn of the Republic.” Next on stage was James Dobson, president of Focus, the man whose stern child-rearing advice had made him a hero to millions of evangelical Christians. Focus’s \$30-million headquarters, which sprawled over 47 acres, testified to his influence, as did the standing ovation he received from the crowd of 15,000. But, Dobson told the audience, the headquarters “is not a monument to me. This is a gift from you, our friends, to help us stand up for the family in these critical times.” Then came speeches from other prominent evangelicals, concluding with Prison Fellowship Ministries founder (and Watergate felon) Charles Colson. Dobson had been folksy. Colson was fiery: “There is a battle going on for the soul of America...When there’s a battle going on you want to be on the front lines, and this is the front line. God bless James Dobson.” Yet the ceremony was not just an evangelical affair. Sharing the stage with Dobson and Colson were Robert Isaac, mayor of Colorado Springs, and Bill Armstrong, United States Senator from Colorado. If their

presence was not proof enough of Dobson's influence, then the congratulatory telegram from former president George H.W. Bush certainly made the point. Impressive as all this was, the crowning moment no doubt came when the Wings of Blue, the skydiving team from the United States Air Force Academy, parachuted onto the site and handed Dobson the key to the building.¹

People would later recall that the skydivers gave Dobson not the key to his ministry's headquarters but the key to the city.² An understandable mistake, for the ceremony seemed to herald the beginning of an evangelical age in Colorado Springs. Focus on the Family was the largest of more than fifty evangelical Christian ministries to move to the city between 1980 and 1995. Little wonder that observers began to give the city nicknames like "Jesus Springs" and "The Evangelical Vatican." But why did these ministries, ranging from the colossal Focus on the Family to one-person operations run out of a basement, decide to relocate to the foot of Pikes Peak? Colorado Springs did not occupy a special place in evangelical history. It had given birth to no famous preachers or important ministries. Before gaining its reputation as "Jesus Springs," the city was known nationally, if at all, as the home of the North American Aerospace Defense Command (NORAD), assigned to scan the skies for incoming nuclear missiles. Why did so many ministries descend on the city in the 1980s and '90s?

Answering this question reveals the intersection between urban boosterism and entrepreneurial religion in the United States. Focus on the Family and other ministries came to Colorado Springs because they heeded the call, not of God, but of the city's Chamber of Commerce. The chamber sought to revive a local economy devastated by a real estate crash and

¹ "A Day in the Life of Focus," *Focus on the Family with Dr. James C. Dobson*, November 1993, Box 28, Folder 21, Citizens Project Papers [MSS0307], Special Collections, Pikes Peak Library District, Colorado Springs, Colorado [hereafter PPLD]; Steve Rabey, "Thousands help dedicate new Focus headquarters," *Gazette Telegraph*, 26 September 1993.

² Among them: David Antoon, "The Cancer from Within," *Truthout*, November 8, 2007, <http://truth-out.org/archive/component/k2/item/74298:david-antoon--the-cancer-from-within>; Diana Jean Schemo, *Skies to Conquer: A Year at the Air Force Academy* (Hoboken, NJ: John Wiley & Sons, 2010), 6.

cutbacks in federal defense spending. They looked to evangelical ministries to fill the tens of thousands of square feet of office space left vacant by the collapse. The ministries, for their part, found in Colorado Springs a solution to *their* economic troubles. The world of evangelical ministries was brutally competitive, with thousands of ministries scrapping over a small pool of donors. To stay afloat, most ministries needed cheap land, cheap labor, and low taxes—and the Colorado Springs Chamber of Commerce promised all three. As a result, ministries flocked there by the dozens. But this was a migration of evangelical institutions, not evangelical people. Taken together, these ministries brought only a few hundred people to the city, creating an odd disjuncture: a cluster of Christian ministries in a relatively secular city. This gap between the city’s reputation as “Jesus Springs” and its reality made possible the culture wars that roiled Colorado Springs in the 1990s. Conservative evangelicals, over-estimating their influence, launched an aggressive campaign to turn their beliefs into public policy. What the evangelization of Colorado Springs shows, then, is how capitalism shaped the culture wars.

The Foreclosure Capital of America

Urban boosters founded Colorado Springs and guided its development over the following decades. The first and most important booster was William Jackson Palmer, a Civil War general turned railroad magnate. Palmer wanted a town that would anchor his railroad network while also serving as an oasis of culture in the American West. To those ends, he and his associates founded Colorado Springs in 1871.³ From the beginning, the community’s leading export was its

³ Marshall Sprague, *Newport on the Rockies: The Life and Good Times of Colorado Springs* (Denver: Sage Books, 1961); Thomas G. Andrews, *Killing for Coal: America’s Deadliest Labor War* (Cambridge, MA: Harvard University Press, 2008), 43-49.

own image. This was a matter of necessity; the new community, with few natural resources and situated in a less-than-ideal location, needed to attract outside money to survive. The Colorado Springs Chamber of Commerce, founded in 1892, took the lead in recruiting outside capital. When the tourism industry that had sustained the city since its founding began to flag in the 1930s, representatives from the chamber averted economic disaster by petitioning the federal government for defense-related spending. Their efforts paid off: the city received Camp Carson, an Army base that housed tens of thousands of soldiers during World War II.⁴ The chamber won another prize in the early 1950s, when the Department of Defense decided to place the new United States Air Force Academy just north of Colorado Springs.⁵ Despite these successes, the chamber's leadership knew the city could not rely on military spending alone. They tried to diversify the local economy, with mixed results. To lure outside capital, the chamber formed two organizations: first the Colorado Springs Industrial Foundation, created in 1958, and then the Quality Economic Development program, which replaced the Industrial Foundation in 1971.⁶ These programs plied businesses with offers of cheap land, which led several high-technology companies to relocate to the city, beginning with Kaman Sciences in 1957 and Hewlett-Packard in 1962. But descriptions of Colorado Springs as "Silicon Mountain" were less a reflection of reality than boosterish hype. The city's boosters excelled at coming up with nicknames, which included not only Silicon Mountain but also: Newport on the Rockies, Little London, and the America the Beautiful City.

⁴ Ann Markusen, Peter Hall, Scott Campbell, Sabina Deitrick, *The Rise of the Gunbelt: The Military Remapping of Industrial America* (New York: Oxford University Press, 1991), 178-179; *Fort Carson: A Tradition of Victory* (Colorado Springs, CO: Fort Carson Public Affairs and Information Office, 1974), 7-24.

⁵ George V. Fagan, *The Air Force Academy: An Illustrated History* (Boulder, CO: Johnson Books), 16-47

⁶ "History of the Chamber," *The Chamber Magazine*, May 1982, Regional History Collection, PPLD; Chamber of Commerce report; "Sixty-sixth Annual Report of the Colorado Springs Chamber of Commerce, 1958," Regional History Collection, PPLD.

Little had changed by the 1980s; the Chamber of Commerce remained one of the city's most powerful institutions. As one journalist noted, in Colorado Springs "membership in the Chamber is almost a prerequisite to success."⁷ At this point, it looked as if the chamber had earned its pre-eminent position, as its industrial recruitment policy fueled a boom economy in the early 1980s. Every indicator suggested that the city's economy was on the upswing in these years. Its unemployment rate was down, dropping below 6% by the end of 1985. During the same period, its annual population growth rate of almost 4% made it one of the nation's fastest-growing cities.⁸ While these numbers were good, the real estate figures were fantastic. From 1982 to 1984, the value of nonresidential construction in Colorado Springs jumped from about \$100 million to almost \$300 million.⁹ Forecasters, looking at this growth, saw something more than a boom. They predicted a period of sustained growth that would continue into the indefinite future. No matter what one thought of the future, however, the facts of the present were undeniable—and they bore out the declaration of one real estate developer that in 1984 "Colorado Springs experienced its most spectacular year ever!"¹⁰

Colorado Springs had long relied on the military to sustain its economy, and the boom of the early 1980s was no exception. As the Chamber of Commerce's magazine noted, as of 1980 "the Department of Defense directly employed over 47,000 people in Colorado Springs with a payroll of almost \$600,000,000. Combining that direct employment with other related and

⁷ Neil Westergaard, "Retired general boss of Chamber," *Colorado Springs Sun*, December 26, 1981, Chamber of Commerce Information File, Tutt Library Special Collections, Colorado College, Colorado Springs, Colorado (hereafter TL).

⁸ "Forecast '86: Colorado Springs," 7, published by Schuck/Grubb & Ellis, Regional History Collection, PPLD; Dave Bamberger, "Economy: Booming or Bottoming Out?" *The Chamber Magazine*, February 1984, Regional History Collection, PPLD.

⁹ "Forecast '85," published by the Schuck Commercial Brokerage Company, 11-23, Regional History Collection, PPLD.

¹⁰ "The EDC's other full-time job is here at home," *The Chamber Magazine*, May 1985, Regional History Collection, PPLD.

dependent activities the defense department is responsible for over 90,000 jobs and \$1.3 billion in annual payroll” in the city.¹¹ The military’s presence was poised to grow still more in the 1980s, as billions of dollars in aerospace-related funding flowed into the city. This influx began in 1979, when the city was awarded the Consolidated Space Operations Center (CSOC), which would coordinate all military-related activity in space.¹² Colorado Springs also won the National Test Facility (NTF), where supercomputers would run simulations to model combat in outer space. Per one estimate, the NTF would be worth as much as \$1 billion to the city.¹³

Business leaders, especially real estate developers, believed this federal money would transform Colorado Springs into a great city: the “Aerospace Capital of the Free World.” Real estate developer Martin List scoffed at one prediction that the military’s space program would not cause a boom: “The study should be discarded,” he declared. List certainly gambled on there being a boom. His ML Properties purchased 3,000 acres of land adjacent to the future CSOC, with plans to turn it into an “Aerospace Center” that would include a “List Institute for the Strategic Exploration of Space.”¹⁴ Nor was List the only developer to engage in wild speculation. Other planned developments included the 1,082-acre Nova Technological Center, the 2,920-acre Colorado Center, and the 3,832-acre Aerospace Center.¹⁵ When talking to the press, real estate developers used hyperbole as big as their properties. Martin List foresaw a new “industrial revolution” in the making in Colorado Springs, while another developer said that “Colorado

¹¹ Bill Tutt, “The Chamber Salutes Our Military Friends,” *The Chamber Magazine*, May 1982, Regional History Collection, PPLD.

¹² “Final Environmental Impact Statement: Consolidated Space Operations Center,” January 1981, Consolidated Space Operations Center Information File, TL.

¹³ Kris Newcomer, “Pentagon Picks Springs for Star Wars Test Site” *Rocky Mountain News*, June 26, 1986, Consolidated Space Operations Center Information File, TL.

¹⁴ Jeffrey Manberg, “Speculating on an earthly space boom,” *New York Times*, January 19, 1986, Box 73, Folder 2, Marshall Sprague Papers [MSS0050], PPLD; Ken Western, “CSOC sending land values into orbit,” *Sun*, December 9, 1984, Consolidated Space Operations Center Information File, TL.

¹⁵ Western, “CSOC sending land values into orbit.”

stands at the leading edge of a new Renaissance.”¹⁶ These exaggerations seemed almost plausible in light of soaring land values. Property once valued at \$2,000 an acre now sold for as much as \$12,000. An 800-acre ranch near the future CSOC was sold for \$5.6 million.¹⁷ Real estate developers looked on with glee as defense contractors like Martin Marietta and Hughes Aircraft began placing offices in Colorado Springs. As one observer noted, “It’s the same thing they did in Houston. They come in and take 2,000 square feet, and then they come in with manufacturing space.”¹⁸ The comparison to Houston was telling, as many observers predicted the military space program would transform Colorado Springs the same way NASA had transformed Houston.¹⁹

But within a few years, these dreams gave way to a harsh reality. Far from becoming “Aerospace Capital of the Free World,” the city instead became the “Foreclosure Capital of America.” Money from the Department of Defense proved less of a sure thing than the boosters had assumed. In the mid-1980s, Congress began to make cuts in the defense budget that drew blood in Colorado Springs. The first victim was the Shuttle Operations Planning Complex (SOPC), a \$500-million project that evaporated when Congress cut its funding in 1987.²⁰ Further reductions came in 1988, when Congress cut Ronald Reagan’s request for Strategic Defense Initiative (SDI) funding from \$4.9 to \$4 billion.²¹ These cutbacks coincided with instability in

¹⁶ Stephen Bobbitt, “Springs leaders praise Star Wars test center,” *Rocky Mountain News*; pamphlet published by SLB Company, Inc.; both from Consolidated Space Operations Center Information File, TL.

¹⁷ Western, “CSOC sending land values into orbit”; Western, “Counting down to CSOC: Prairie people ready to take giant leap into Space Age,” *Sun*, December 9, 1984, Consolidated Space Operations Center Information File, TL.

¹⁸ Amanda Ritchie, “Aerospace giants already here,” *Gazette Telegraph*, September 13, 1983, Consolidated Space Operations Center Information File, TL.

¹⁹ Western, “CSOC sending land values into orbit,” Wayne Heilman, “Economic impact of CSOC on area unclear,” *Gazette Telegraph*, February 24, 1985, both from Consolidated Space Operations Center Information File, TL; Manberg, “Speculating on an earthly space boom,” “Cities in Colorado and Texas Compete for the Unofficial Title of Space City,” *Wall Street Journal*, January 15, 1986, both from Box 73, Folder 2, MS0050, PPLD.

²⁰ Patrick Yack, “Pentagon’s \$70 million white elephant,” *Denver Post*, April 5, 1987, Box 73, Folder 2, MSS0050, PPLD.

²¹ Dinah Wisenberg, “Defense budget sent to Reagan,” *Gazette Telegraph*, July 15, 1988.

the city's high-technology industry. As high-tech manufacturers began to feel the squeeze of foreign competition, particularly from Japan, they fled the city in search of cheaper labor.²² Microelectronic manufacturing plant closures eliminated almost 2,000 jobs between 1985 and 1988.²³ These blows crushed the overbuilt real estate market and plunged the local economy into a recession. The dollar value of non-residential building permits slumped from \$275 million in 1984 to \$225 million in 1985 to less than \$150 million in 1986. Total land sales in that period slid from \$395.7 million to \$280.3 million, a drop of 29.1%.²⁴ Throughout the latter half of the 1980s the Colorado Springs *Gazette Telegraph* reported a seemingly endless stream of foreclosures, announcing dozens each month.

The Chamber of Commerce and city government sought a magic bullet solution to these problems, which led them to embrace ideas that seem absurd in hindsight. One was "Liberty Park," a theme park dedicated to the United States constitution. Robert Isaac, the city's mayor, and Robert Scott, vice president of the chamber, endorsed Liberty Park, even though its founder could never explain where the money would come from. Fantastic claims about a Disneyland-sized park that would feature "a monthlong outdoor pageant of patriotic drama, song and dance" eventually yielded to reality. By 1992 even people who had once boosted the park admitted it would remain a dream.²⁵ Liberty Park looks like harmless whimsy compared with Aries Properties, the biggest, boldest, and most toxic attempt to revitalize the local economy. Frank

²² Ann R. Markusen, Yong-Sook Lee, Sean DiGiovanna, editors, *Second-Tier Cities: Rapid Growth Beyond the Metropolis* (Minneapolis: University of Minnesota Press, 1998), 321.

²³ "Colorado Springs Economic Development Council Annual Report, 1985," Regional History Collection, PPLD; "Business," *Gazette Telegraph*, July 30, 1989.

²⁴ "Colorado Springs Real Estate Forecast, 1987," published by Schuck/Grubb & Ellis, 25-26, Regional History Collection, PPLD.

²⁵ Russ Arensman, "Theme park, resort plans unveiled," *Gazette Telegraph*, June 28, 1989; Russ Arensman, "Isaac: Park should be built—and built here," *Gazette Telegraph*, June 28, 1989; Russ Arensman, "Liberty Park officials plan mascots, TV shows," *Gazette Telegraph*, July 2, 1989; Joanna Schmidt, "Liberty Park design work might delay construction," *Gazette Telegraph*, March 10, 1990; Jerry Mahoney, "So long, Liberty Park—write when you find a home," *Gazette Telegraph*, March 8, 1992.

Aries was a real estate tycoon who had made his fortune developing land around Tucson, Arizona. In the 1980s he turned his attention to Colorado Springs, whose similarities to Tucson he found “mind-boggling.”²⁶ With a \$225 million loan from Phoenix’s Western Savings and Loan, Aries purchased 22,000 acres of land east of the city and announced his plans to turn it into a self-contained community. The Colorado Springs City Council, browbeaten by Aries and blinded by their hopes for rejuvenating the economy, took the unusual step of annexing the entire 22,000-acre tract in one swoop. No one thought Aries’s scheme might fail—yet it did. Western Savings and Loan collapsed, followed soon after by Aries Properties. Aries fled Colorado for a 98-foot yacht anchored in Miami, leaving behind nothing but empty scrubland.²⁷

The boosters fell back on their oldest strategy: luring outside capital to the city. This was not a foreordained result. For a moment, it seemed the recession might shatter the truths that had long guided the city’s economic growth. The Chamber of Commerce commissioned the Fantus Company, a Chicago-based consulting firm, to study the city’s economy and come up with a plan of action. Between September 1987 and May 1988 Fantus consultants interviewed dozens of local politicians and businesspeople and scrutinized reams of economic data. Their conclusions were grim. They noted that while Colorado Springs was growing, its growth lagged “megatrend” cities like Phoenix, Austin, and Orlando.²⁸ These cities all boasted greater amounts

²⁶ Wayne Heilman, “A tale of two cities,” *Gazette Telegraph*, December 1985, Box 73, Folder 2, MSS0050, PPLD.

²⁷ Wayne Heilman, “Profile of a Gambler,” *Gazette Telegraph*, December 15, 1985, Box 73, Folder 2, MSS0050, PPLD; Wayne Heilman, “A tale of two cities,” *Gazette Telegraph*, December 15, 1985, Box 73, Folder 2, MSS0050, PPLD; Wayne Heilman, “Tucson developer has option to buy ‘future of Springs,’” *Gazette Telegraph*, October 4, 1985, Box 73, Folder 2, MSS0050, PPLD; Colorado Springs City Council Proceedings and Reports, June 28, 1988 and July 12, 1988, Regional History Collection, PPLD; Wayne Heilman, “S&L trying to reduce Aries loan,” *Gazette Telegraph*, January 11, 1989; Wayne Heilman, “Lender to Aries facing loss,” *Gazette Telegraph*, February 25, 1989; Andy van de Voorde “Greed Acres,” *Westword*, 13-19 December, 1989, Box 43, Folder 9, Banning-Lewis Ranches Records [MSS0098], PPLD.

²⁸ Fantus Report, 1987, p. 2. “Megatrend” was an inescapable buzzword of the 1980s, popularized by futurologist John Naisbitt in his 1982 book *Megatrends: Ten New Directions Transforming Our Lives*.

of available capital, superior educational facilities, and highly diversified economies.²⁹ The only solution, Fantus suggested, was for the Chamber of Commerce to merge with the municipal government, creating a public-private partnership to encourage business development.

The chamber's leadership was unenthusiastic about the possibility of merging with the city government, fearing it would rob them of their independence. They rationalized these fears by pointing to their past successes. As Robert Scott, the chamber's Vice President for Economic Development, said, "[If] we were starting from a blank sheet of paper with no history or successes, their recommendations would not be a bad idea. But we have had [a history of] successes."³⁰ The chamber did, however, implement one of Fantus's suggestions: expanding the Economic Development Council into an "Economic Development Management Council" (soon renamed the Economic Development Corporation, or EDC), which would have the power to hire its own personnel and set its own policy.³¹ Newly independent, and with a larger professional staff and operating budget, the EDC now took up the crusade to lure capital to Colorado Springs.³² Leading that crusade was a woman named Alice Worrell.

²⁹ Fantus Report, p. 8-18

³⁰ Wayne Heilman, "Economic proposals draw mixed reviews," *Gazette Telegraph*, May 4, 1988; Wayne Heilman, "The path not taken: Most officials oppose separating Chamber and EDC," *Gazette Telegraph*, May 22, 1988

³¹ Wayne Heilman and Russ Arensman "Business group more independent," *Gazette Telegraph*, August 24, 1988.

³² Jerry Mahoney, "Solid job growth will come in small steps," *Gazette Telegraph*, October 16, 1988.