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US hard line over risk of flight keeps Stanford hands tied

By Stacy-Marie Ishmael and Joanna Chung in New York, Brooke Masters in London and Sheila McNulty in Houston
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Sir Allen Stanford, who is accused of operating a \$7bn Ponzi scheme, has spent the past three weeks handcuffed, shackled and confined to a cell at a detention centre 48 miles north of Houston, Texas.

While awaiting trial on charges ranging from securities fraud to bribery, Sir Allen, sporting a bright orange suit, has only been allowed to speak to visitors - including his attorneys - through a protective glass barrier, under the watchful eyes of prison wardens.

It is a departure from his life as a tycoon, replete with private jets, yachts and wine cellars stocked with rare vintages.

But it is unusual because Sir Allen is a white-collar defendant.

It is routine in some prisons for people awaiting trial on charges involving violent crimes to be held in very restrictive conditions.

But most white-collar defendants have been allowed to remain free pending trial, as were the chiefs of WorldCom, Enron and Tyco.

Unlike most pre-trial detainees, Sir Allen is being kept in custody not because he is considered a danger to the community - a category that would justify physical restrictions - but because a US judge ruled that the businessman, who had many passports and residences around the world, posed a flight risk.

"Stanford has the motive, means and opportunity to leave the United States prior to trial," prosecutors argued in court documents.

They pointed to Sir Allen's "extensive international business and social contacts", his "access to huge sums of money" and the likelihood that, if convicted, he would face extensive prison time.

The closest parallel to Sir Allen's case could be high-stakes espionage cases, in which the defendants are generally highly educated with no history of violence, but are seen as flight risks.

They are traditionally kept behind bars pending trial and have a similar need to meet with their attorneys.

In several cases in the 1990s, the defendants were permitted to meet their attorneys in person without handcuffs.

For Sir Allen, however, this has not so far been the case, according to his attorney, Dick DeGuerin.

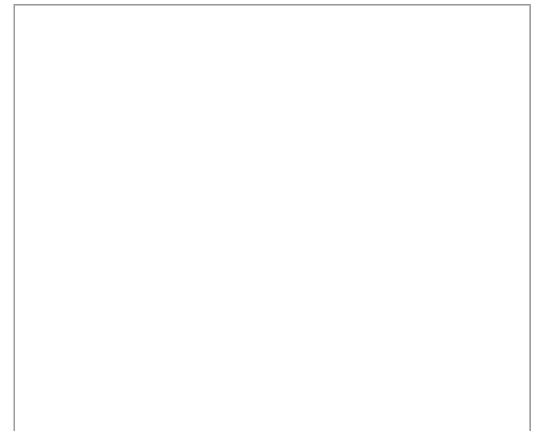
He said in court documents filed this week that "draconian" conditions prohibited any "effective and meaningful consultation" with his client.

Mr DeGuerin claimed that the visitation booth at the Joe Corley Detention Center forbade contact with his client and prohibited the passing of documents without the intervention of at least two guards to carry the papers from one side of the booth to the other.

While special arrangements may be made for a "contact visit" in a room with table and chairs, Mr DeGuerin said that he had been allowed only one such visit. Even then, Sir Allen was "shackled hand and foot - and the handcuffs shackled to his waist - thus making his review and signing of papers very difficult".

Lawyers and experts not involved with the case agree that Sir Allen is at a disadvantage in helping prepare his defence.

"Especially in a case like this where you have such complex financial transactions, it essentially becomes the white collar defendant's full-time job to go through documents," said Peter Henning, professor at Wayne State University Law School.



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The court could yet determine conditions that would permit Sir Allen's release, other lawyers said, including restricting his movements to one county and forcing him to wear an electronic monitoring device.

But Philip Hilder, who represented Enron whistleblower Sherron Watkins, said: "Unfortunately for him, it's a very high-profile case, and the government has taken a hardline stance."

Coming on the heels of the Madoff fraud, officials are sensitive to the public scrutiny that is likely to accompany Sir Allen's case.

Mr Henning said: "You get one shot at a defendant like this. If he flees, you are never going to get him back."

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