

# **Allen Stanford's Trial Indefinitely Delayed. Suspected CIA Banker Became "Drug Dependent" — in Federal Custody**

By [Tom Burghardt](#)

Global Research, January 12, 2011

[Antifascist Calling...](#) 12 January 2011

Region: [USA](#)

Theme: [Intelligence](#), [Law and Justice](#)

The strange case of accused swindler and suspected CIA banker R. Allen Stanford became a whole lot stranger last week.

During a preliminary hearing in Houston, U.S. District Judge David Hittner ruled that Stanford, charged with orchestrating an \$8 billion dollar Ponzi scheme that defrauded thousands of investors, cannot be tried until he undergoes detoxification for a drug addiction acquired *after* his incarceration in a federal detention facility.

Talk about a convenient turn of events!

"Nothing can be done until the medical aspect is cleared up," Hittner told defense lawyers and prosecutors during an all-day hearing that examined Stanford's mental competence to stand trial, [Bloomberg News](#) reported.

The banker's court-appointed defense team is seeking a two-year delay, citing the mountain of evidence, some two million pages at last count, they must review before the trial can proceed. Stanford's apparent inability to participate in his own defense would certainly complicate matters.

With a net worth once estimated at \$2 billion, the accused fraudster was declared indigent last fall after his assets were seized and (known) accounts frozen following his 2009 arrest and indictment.

In October, U.S. District Judge Nancy Atlas ruled that Stanford and codefendants Laura Pendergest-Holt, Gilberto Lopez, Mark Kuhurt and Leroy King, the former chief regulator of the Bank of Antigua, cannot tap a \$100 million Lloyds of London insurance policy to pay attorney fees.

According to the ruling, "lawyers for Lloyds had proven at a trial in August that it was likely that Stanford had committed money laundering." The court declared "that the policy's money laundering exclusion applies to justify underwriters' denial of insurance coverage at this time," [Reuters](#) reported.

Indicted eighteen months ago on 21 civil and criminal counts, including mail, wire, securities fraud and money laundering, Stanford is also suspected of running another in a long line of "full service banks" for American secret state agencies, including the CIA.

Interestingly enough, one of Stanford's early defense teams was led by none other than Robert S. Bennett, the high-powered attorney who successfully fought off prosecution for his client, Jose A. Rodriguez, the former head of the CIA's clandestine division, accused of destroying 92 torture videotapes of prisoners held at Agency "black sites."

This latest twist in the sleazy affair raise uncomfortable questions for prosecutors: just how does one become drug addicted while in federal custody?

According to *Bloomberg*, "three psychiatrists, one working for the government and two working for the defense, testified that Stanford's dependency on prescription anti-anxiety medication and the after-effects of a head injury he sustained in a jailhouse beating left him unfit for the trial" which was slated to begin later this month.

Victor Scarano, a defense psychiatrist testified that the banker's dependency on the anti-anxiety drug clonazepam, along with the powerful anti-depressant mirtazapine, was the result of "overmedication" by his jailers.

Scarano testified that for more than a year Stanford "has been taking 3 milligrams a day of the anti-anxiety drug clonazepam, and that a normal dose is up to 1 milligram a day for no longer than two weeks," the [Houston Chronicle](#) disclosed.

The psychiatrist told the court that "he is unable to work effectively and rationally with his attorneys in his defense against the charges."

"He is unable to focus, he's unable to keep a train of thought," Scarano testified.

A second psychiatrist, Steven Rosenblatt, hired by the government, "testified that Stanford is suffering from delirium, likely brought on by the medication."

During Thursday's hearing, Stanford's attorney Ali Fazel, told the court that his client had been assaulted while in federal custody, severely beaten and that it was prison physicians who prescribed the medications to which the accused swindler is now addicted. "It's the government that caused the problem," Fazel said.

[The Independent](#) averred this will raise "fresh and disturbing questions about the deterioration of Stanford's mental and physical health in the 18 months he has already spent behind bars."

Among the questions likely to be raised is why, for some unknown and still unexplained reason prison doctors dispensed *triple the normal dose* of a suite of drugs known to produce untoward side effects.

According to [Wikipedia](#), clonazepam is used to treat epilepsy, anxiety disorder and panic disorder, and in combination with lithium and haloperidol, it is also used for the initial treatment of mania or acute psychosis.

This is certainly a curious choice for long-term treatment of a concussion. While Stanford may be a notorious huckster who believed he could do no wrong, even as he allegedly robbed investors blind, there is no evidence he suffered a psychotic break with reality. In fact, the evidence suggests quite the opposite.

Clonazepam is characterized by its “fast onset of action and high effectiveness rate and low toxicity in overdose but has drawbacks due to adverse reactions including paradoxical effects, drowsiness, and cognitive impairment.”

According to scholarly literature cited by Wikipedia, “cognitive impairments can persist for at least 6 months after withdrawal of clonazepam; it is unclear whether full recovery of memory functions occurs. Other long-term effects of benzodiazepines include tolerance, a benzodiazepine dependence as well as a benzodiazepine withdrawal syndrome occurs in a third of people treated with clonazepam for longer than 4 weeks.”

Common side effects include drowsiness, interference with cognitive and motor performance, irritability and aggression, psychomotor agitation, lack of motivation, loss of libido, hallucinations, short-term memory loss, and what are described as “anterograde amnesia (common with higher doses)” or, the “loss of the ability to create new memories ... leading to a partial or complete inability to recall the recent past.”

The second drug dispensed to Stanford, the anti-depressant mirtazapine, is used in the treatment of depression, anxiety, obsessive-compulsive disorders and is said to “exacerbate some patients’ depression or anxiety or cause suicidal ideation,” [Wikipedia](#) informs us.

While “the potential for dangerous drug interactions with mirtazapine is considered to be very low,” the drug may “increase the effects of ... benzodiazepines,” e.g. clonazepam, the apparent drug of choice deployed by Stanford’s jailers as part of his “treatment.”

Attorneys and psychiatrists told the court that the accused swindler was treated for *more than a year* with triple the “normal dose” of a drug known for producing “paradoxical effects” including “a partial or complete inability to recall the recent past.”

The question is *why*?

While Stanford’s “overmedication” may have an innocent explanation, we cannot dismiss the possibility that someone or some entity perhaps, say an intelligence agency with *decades* of pharmacological knowledge derived from illicit human experiments *might* be interested in inducing permanent “cognitive impairment” in the dodgy banker.

A simpler explanation however, such as gross negligence on the part of his jailers cannot be ruled out. It is even quite possible, as assistant U.S. attorney Gregg Costa asserted, that Stanford “could have been faking the delirium in order to be let out of jail before facing trial” as [The New York Times](#) reported.

And given the wretched conditions that exist in American gulags, where control of prison populations through overmedication is the norm *not* the exception, this could also be a mitigating factor in Stanford’s case. As [Human Rights Watch](#) points out, prisoners adjudged mentally ill often receive “inappropriate kinds or amounts of psychotropic medication that further impairs their ability to function.”

On the other hand, Allen Stanford’s high-profile, his close proximity to drug-fueled intelligence operations, decades of hastily-closed investigations into alleged security frauds and a “stand down” by the SEC “at the request of another federal agency” as [The New York Times](#) disclosed, coupled with drugs investigations that “lie buried in the paperwork” gathered by the SEC as the [Houston Chronicle](#) averred, however one cares to slice it, a drug addiction acquired in federal custody does open a new, and highly suspicious, chapter

in the Stanford drama.

The maddeningly complex character of Allen Stanford's operations as the [\*Financial Times\*](#) revealed, and what role other giant banks including Bank Julius Baer, Credit Suisse and HSBC, which acted as SIB's correspondent bank for all European deposits played in the affair, may *never* be unraveled if he cannot stand trial.

In this respect, a permanent "inability to recall the recent past" induced by federal prison authorities may be just what the doctor ordered.

*Tom Burghardt is a researcher and activist based in the San Francisco Bay Area. In addition to publishing in Covert Action Quarterly and [Global Research](#), his articles can be read on [Dissident Voice](#), [The Intelligence Daily](#), [Pacific Free Press](#), [Uncommon Thought Journal](#), and the whistleblowing website [WikiLeaks](#). He is the editor of Police State America: U.S. Military "Civil Disturbance" Planning, distributed by [AK Press](#) and has contributed to the new book from [Global Research](#), The Global Economic Crisis: The Great Depression of the XXI Century.*

The original source of this article is [Antifascist Calling...](#)

Copyright © [Tom Burghardt](#), [Antifascist Calling...](#), 2011

---

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Tom Burghardt](#)  
[http://antifascist-calling.blogspot.co](http://antifascist-calling.blogspot.com/)  
[m/](#)

**Disclaimer:** The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: [publications@globalresearch.ca](mailto:publications@globalresearch.ca)

[www.globalresearch.ca](http://www.globalresearch.ca) contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: [publications@globalresearch.ca](mailto:publications@globalresearch.ca)