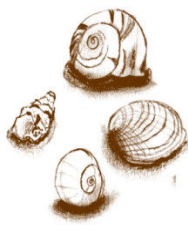




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BRIEFS:



"Only matter of time" until Fugitive Butch Ballow is captured, says private eye

The search for fugitive Harris D. "Butch" Ballow is heating up in Panama, even as some of his alleged accomplices stand trial in a Houston Federal court.

Ballow was the alleged mastermind of a series of frauds that netted as much as \$30 million over a period of several years. Among those who reportedly invested in Ballow's fraudulent schemes were famous people, like comedian Drew Carey and former Rockets basketball star Hakeem Olajuwon.

Ballow fled the country in November of 2004 after posting \$10,000 bond.



Private investigator John Moritz has been in Panama this month after confirmed sightings of Ballow in Chiriqui, Panama. Ballow allegedly struck up conversations with American tourists who were unaware of his fugitive status - but who were later able to confirm that the man they had met was indeed the fugitive scam artist.

Agents of the FBI have also been looking for Ballow in Panama. One

investigator told the Seabreeze that Ballow is keeping a low profile, but that he would probably not be able to leave the small country easily, due to the "heat" being on him. "It's just a matter of time" he said, "We will have Butch Ballow in jail, in Houston, and expect this to happen pretty soon. Hopefully they won't give him another free pass."

In spite of this optimism, Ballow remains a wily, cunning subject who has managed to wiggle out of tight spots in the past. Sources told the Seabreeze (strangely, we seem to be the only US newspaper covering the story) that Ballows' villa had been located and was being staked out as the manhunt continues.

Even after Ballow vanished, he may have continued to operate huge financial scams through proxies. One of these alleged proxies is Luis Pallais, who was CEO of China Global, a company supposedly formed in Panama by Ballow after his arrest in 2004. China Global was a "pump and dump" scheme that defrauded investors like Ballows' earlier scams.

Another likely proxy is a Panamanian citizen who probably knows exactly where Ballow is. Ruben Garza Perez was involved in the Calypso Wireless stock fraud, and is a known associate of Ballow. He lives in Panama too. Garza's lawyer, John Worthington, claims his client is "a very religious man". That's what they said about Butch Ballow too - after all, he was often visited at his South Shore Harbor offices by his pastor and friend, Walter Hallam of the Abundant Life Church, where Ballow and his wife were members.

Among those on trial in Houston is San Leon resident Marvin "Mike" Barnwell. According to the complaint filed by the SEC, Barnwell was a "close associate" of Ballow, and assisted him in his swindles here. Barnwell is also accused of manipulating stocks and making false and misleading statements in financial filings. Hector Garcia, 37, of League City is a co-defendant in the same case. Both are alleged to have opened multiple offshore brokerage accounts to make illegal and fraudulent stock trades on margin accounts that were left unpaid when the stocks collapsed.

We will continue to cover this story as it develops.

Night Court star Harry Anderson testifies at sentencing

Man who gave police "the finger" gets two life terms

Steve James was a supposedly devout Christian man raising his own children and four adopted kids. He was a mainstay in his fundamentalist church, and purchased a company called "Science Quest" from a fellow Austin-area fundamentalist teacher, Brett Hart. The company charged parents to teach science classes to home-schooled children. Steve James claimed to be affiliated with the "Promise Keepers" group, and was by all accounts a dutiful husband to his wife, Kelly.

But inside the James family's home in the Tahitian Village subdivision, something very bad was happening. It had started around the beginning of the year 2000. The oldest of the adopted children, then ten years old, kept a terrible secret for years - her adoptive father was molesting her.

The daughter, now 18, had become a ward of the church in the late 1990s after her mother became incapacitated and unable to care for her daughter and three younger sons. Steve and Kelly James adopted all four of them in an informal church adoption, and brought them into their home to live. At first, the daughter said, everything was fine. Then, around her tenth birthday, she said James started treating her "differently".

Within a few month, James had progressed to fondling, and ultimately to sexual acts with the child. Having earlier lived in a home with an abusive male, the girl was afraid to say anything - afraid of what might happen to her younger brothers and to herself. So she kept her dreadful secret until the holiday season of 2003.

In an emotional moment, the child tearfully divulged to Kelly James that Steve - then 48 years old - had been sexually assaulting her.

Kelly was understandably upset, and followed the admonition of the Bible - to take two or three others with you to confront a sinner. With a couple of family members there to support her, she confronted her husband.

When confronted, Steven James went into histrionics, curling into a fetal ball on the floor. The act didn't work on the wife or family members - who insisted that James turn himself in to police, or else they would do it themselves. The next morning he walked into the Sheriff's Office and turned himself in.

He was charged with Aggravated Sexual Assault of a Child and jailed, then later released on bond. He was supposed to be in court on December 10th of 2003, but failed to appear. He somehow managed to remain free and the trial was delayed and finally set to begin July 6th 2004 in Bastrop County. In the meanwhile, Kelly had divorced James and the case against him was looking very strong. The charges carry a maximum term of life.

For many years, Steve James would periodically visit Bolivar Peninsula in Galveston County to fish. On July 5th, one day before his trial was set to begin, Steve appeared at John Sealy Hospital in Galveston with his left ring finger severed. He claimed a fishing accident. Since he didn't bring in the severed digit, doctors bandaged him up. Meanwhile, after verifying that James had indeed lost a finger, a Bastrop County Judge granted a one month extension, setting trial for August 10th.

On August 5th 2004, the management of the Fisherman's Cove Motel (about 1 mile from the ferry landing) found a note on the door of the room James had rented, telling the maid not to make up his room. When the manager entered the room, he found court papers, cassette tapes, and a severed left ring finger with wedding ring, laying on top of a divorce decree. A suicide note and a suicide audiotape said that James was going to row his kayak out into the Gulf and drown himself by attaching a large millstone around his body. It quoted the Bible passage about whoever hurts "one of these little ones", it would be better if a millstone were tied around their neck and they were thrown into the sea. Police even found a photograph of the millstone James said he was going to use. Police checked the fingerprint of the severed finger and verified it as belonging to Stephen Douglas James. They later found his

rented kayak floating in the Houston Ship Channel. But the body failed to appear. No one was sure whether Steve James was dead or alive. He was listed by Galveston County as "Missing-endangered".

It would take Hurricane Katrina to unravel the mystery. When the storm roared into New Orleans in September 2005, one of the places damaged was a bar called Oswald's, located at 1000 Bourbon Street. The bar was owned by TV star and magician Harry Anderson (he played the judge on a sitcom called Night Court). Anderson says Steve James claimed to be a contractor and defrauded him and his wife of thousands of dollars. James was a familiar face in the bars along Bourbon Street for several months. Meanwhile, one of Kelly James' family members went down to New Orleans to work a construction job. Walking through the French Quarter one evening, he spotted Steve James. He was smart enough to keep an eye on him, call home, get the police notified, and witness New Orleans police arresting Steve James. The arrest made headlines the following day. By then, New Orleans police had released James on \$50,000 bail. Bounty hunters hurried to catch him before he could disappear, and a couple of days later, they grabbed him. He was soon back in Texas, in the Bastrop County Jail, with no bond.

There he sat until this month, when he finally had his day in court on July 19. James, who gave police a full confession in 2003, opted to plead guilty - but asked for his sentencing to be handled by a jury. He hoped to persuade the jurors to be lenient on him, and cited his faith in God and acted repentant. He pinned his hopes on the fact that he had no prior felony convictions, and brought witnesses to court who testified he suffers from bipolar disease. He was apparently hoping to receive probation. The jury didn't fall for any of it. They gave him the maximum - life on both counts.

Steve James will be not be eligible for parole until 2037. His detached finger remains free, stored in an evidence freezer at the Galveston County Sheriff's Office. Theoretically, James could still be charged here with misdemeanors. (GATOR - 2007)



Keith Riehn and Robin Parks with a massive 8ft 2in Alligator Gar taken in the Sabine River fishing with a bow and arrow. This beast weighed in at 244 lbs - a state record for bowfishing.



Stephen Douglas James Faked death, eluded arrest

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