

POLITICAL INFLUENCE IN MALAYSIA AND THAILAND'S MEDIA SECTOR

Hasmah Zanuddin

ABSTRACT

The objective of this paper is to comparatively describe and examine how political interest determined the structure and the development of broadcasting industry in Malaysia and Thailand comparatively. Through the years, the state plays a significant role in shaping the media system in any society or countries. But there are considerable differences in the extent of state intervention as well as in the forms it takes. The most important form of state intervention is surely public service broadcasting, which has been present in most countries. Political interest was strategically charted through client- patron using the Government Link Company (GLCs) in Malaysia while in Thailand, the state is still the major player, the military and political figure are directly involved in broadcasting sector.

Keywords: Role, influence, interest, intervention, and broadcasting

INTRODUCTION

The state plays a significant role in shaping the media system in any society or countries. But there are considerable differences in the extent of state intervention as well as in the forms it takes. The most important form of state intervention is surely public service broadcasting, which has been present in most countries. There has, of course, been a strong shift toward commercial broadcasting in recent years, but public service broadcasting remains quite significant in most of the countries. Public broadcasting has been the most important form of state ownership of media (in most countries the state until recently also ran the telecommunication infrastructure). However, in many countries the state has also owned news agencies, newspapers, or other media –related enterprises, either directly or through state-owned enterprises, either directly or through state-owned enterprises.

In broadest terms, a distinction can be made between relatively liberal media systems, in which state intervention is limited and the media are left primarily to market forces, and systems in which social democratic or *dirigiste* tradition are manifested in a larger state role in the ownership, funding and regulations of media. Apart from issues of media ownership, funding and regulation, the state always plays an important role as a source of information and “primary definer” of news, with enormous influence on the agenda and framing of public issues. The differing roles the state can play as owner, regulator, and funder of the media are clearly rooted in more general differences in the role of the state in society. It is also important to keep in mind that media systems of individual countries are not homogenous.

For example, the state has always played a major role in Malaysia and Thailand media sector. Media reform in Malaysia and Thailand has been going at a very steady rate for the past recent years and indeed has generally spurred further growth in the industry. Both countries were thriving in development and fared better than the most of the ASEAN countries other than Singapore. Good governance plus strong Asian values has particularly injected a conducive environment for steady growth of media market in both countries. Thailand coup d'état that took place on Tuesday of 19 September 2006, [when the Royal Thai Army staged a coup against the government of caretaker Prime Minister Thaksin Shinawatra] revealed an impact towards the media policies in Thailand.

BROADCASTING ENVIRONMENT

Television is the most efficient medium in Malaysia and Thailand. Over 80 per cent of the people depend on TV as their source of news. TV penetration rate in Thailand is quite high as 97.3 per cent of total population and 95.3 per cent of total household. Malaysian television recorded more than 92 per cent of reach in 2006 (Media Guide, 2006). Historically, Thai broadcast media operations were based on state and business control (Hasmah Zanuddin, 2007:22). The limited national resources, radio and television frequencies were allocated and managed by the state agencies. The frequency regulator was the Posts and Telegraphs Department (PTD), but the Public Relations Department (PRD) controlled program content and retained a central role in Thai radio. In 1998, 523 radio frequencies were available, the PRD owned 145, the Army 128, MCOT 62, the Air Force and the Navy had 36 and 21, respectively, while the rest were owned by the state universities and agencies. Five national television channels were also owned by the state agencies, the Army owned Channel 5 and 7, MCOT owned Channel 3 and 9, and PRD had Channel 11, except Channel ITV which was owned by private companies. However, Channel 3 and 7 were leased out to private operators; Bangkok Entertainment Ltd., (BEC) and Bangkok Broadcasting Television Company (BBTV) respectively (Ibid).

On the other hand, the Malaysian media environment began to change from the beginning of mid-1980s through the 1990s with the establishment of TV3 the private television station. Due to history of tight censorship laws, Malaysia did not open up the television broadcasting market to private operators until 1995. Despite this, the proportion of Malaysian households having television sets has risen to almost 90% of all households. Further progress developed in the television industry with the issuance of additional licenses to the private sector. New players in the 1990s include the second terrestrial private television NTV 7 in 1998, and the satellite station ASTRO which began operation in 1997. The new players were expected to be able to increase local television content production. But it was observed that even with the additional players, there was not enough local content, instead most of them had imported foreign content. There are six Free-to-Air (FTA) TV channels and more than a hundred pay-TV channels offering a wide range of local and foreign programs in a broad selection of languages.

It appears that during the rapid development of television beginning from 1995, the government networks were able to provide about 42 percent of total airtime for both RTM (TV 1 and TV2) while the private station TV3 had aired about 250 hours per month (about 75 per cent of its airtime) of imported program. That

had actually amounted to about 500,00 hours of foreign content per month. The number kept on increasing and by 2001, the total imported program amounted to 53,300 hours. Most of the content originated from the United States, India, and Hong Kong. Local authorities had complained that there was too much horror, violence and sexual content which was counter productive to the multi-religious, multiracial and multicultural society (Media Prima, 2007; 80-87, Yap Siew Mun, 2007; 7-8).

Another national event that prompted new considerations for both government and private sector broadcasters was the lifting of the law on satellite stations and the launching of ASTRO, Malaysia's first satellite station. With an increasing number of television stations, cheaper and better production of foreign programs were imported, again undermining the government's request to provide at least 80 per cent of local content for the local marketplace.

Things changed in a different direction within the Thai's broadcasting regulation in 1992. The National Broadcasting Commission (NBC) that replaced the former commission (National Broadcasting Executive Board (NBEB) was made in charged in making rules about programs and advertisements and recommending on frequency regulations. Even though it could consider complaints about broadcasting, it delegated censorship function to individual radio and television stations. The NBC comprised of representatives from different agencies, such as the Department of Defense, the University Affairs, the State Council, the National Culture Commission, and three other NGO representatives concerned with issues about women and children and consumer protection. While the PRD was responsible for the NBC's administration work (Lewis, 2005:5).

Since 1960s, in practice, media companies and advertisers rapidly expanded their economic power in broadcasting industry through a privileged concessions system which were classified into four types. First, the radio station staff could directly sell unlimited advertising time to advertising agencies or production companies. Second, private companies or freelance producers could lease partial airtime with monthly payments. Third, these companies could sign 5-10 year contracts for an overall airtime lease with lump sum installments and pay a percentage share of monthly revenue to the legal owners. The arrangement constructed a system where airtime would be subleased to small-scale producers under a brokerage system. Fourth, the owners signed BOT (build-operate-transfer) or BTO (build-transfer-operate) contracts granting ten-year-concessions to private licensees. They had to pay a lump sum installment and a percentage share of monthly or annual revenue. Further, the concession processes were based on patron-client relationships (Ubonrat, 1992:4). Similarly, large scale traders or businessmen who had a close relationship with soldiers or senior civil servants might win the 25-30-year concessions to operate television channel from the state agencies as the legal owner. Then, with a few competitive channels it could sustain the power to negotiate with advertising agencies in setting advertising rate and also control the market.

The arrangement between the military and the media entrepreneurs in the 1960s and the 1970s changed from interdependency to competition after the late 1980s. An open bidding system was introduced by MCOT and then Radio Thailand (controlled by the PRD) granted 3-5 year concessions to operate radio stations.

However, this opened an opportunity for large-scale media companies to dominate because under the open bidding process the legal owners were more concerned with asset values rather than programming quality. Consequently, the

earlier groups of media entrepreneurs, comprising of local businessmen, small brokers and program producers, changed to new groups of conglomerated media companies in entertainment advertising and telecommunications (Ubonrat, 1999:1). These companies both operated their radio stations and produced many television programs on different channels. For example, GMM Grammy Group run at least five FM radio stations in Bangkok and had approximately 10 different programs, such as music, game shows, drama, varieties, broadcast on five television channels. Also, there was a tendency of the vertical integration between the stations and the big media companies.

GOVERNMENT LINK COMPANY, ELITE POWER AND THE MALAYSIAN MEDIA

On the other hand, the Malaysian media sector never had the army involve throughout the history of the media development in the country. However one must restrained the idea that the media sector is free of state control or the state could not exercise control. The one important mechanism of business success in Malaysia is through the success of the Government Link Companies (GLC's) (in a way had transformed various business sectors inclusive of the Malaysian media into a success story). The businesses often intertwined with the power that be and the political economic of shareholding put together. The largest 20 GLC's (G20) of Malaysia had achieved 60 percent increase of total Malaysian business earnings in 2006 alone (Nor Mohamed Yakcop, 2006). The G20 market capitalization had also increased by 80 percent or more than RM116 billion ringgit in 2004 and increase to RM261 billion ringgit by the end of June 2007. With these improvements, the GLCs are currently out-performing KLCI index, indicating clearly that the market is now rewarding companies with improved financial and operational fundamentals (Nor Mohamed Yakcop, 2006). Malaysian Resources Corp Bhd (MRCB) is one of the many Malaysian GLCs, major player in construction and property developer. The company has been successful in building power plants, transmission networks, colleges and hospitals as well as roads. And, MRCB held a major portion of shares in TV3 and in 2001 faced financial losses and borrowings of more than 4 billion ringgit.

Historically, the late 1980s marked the starting point of media reform in Malaysia. Some analysts reviewed it as an increased of authoritarianism in Mahathir's ruling party. The Media then was labeled as a docile media organization, notably television and newspapers, owned by politicians and businessman (Gomez and Jomo, 1997:3). However, in the 1980s, regardless of the opposition's sayings, Tun Dr. Mahathir's government began issuing licenses to create private TV companies. Jomo insisted that the Tun's intention was to raise funds while retaining control over party political content by selling to carefully chosen bidders. All along, the television has remained a key electoral tool for Barisan Nasional (BN). (Ibid; 3). However, the fact remained that the Malaysian media sector was dominated by RTM and the programming were not at all interesting. The audience was eager for more options of TV channels.

In 1984, the private channel TV3 was created. The official justification was that the private television would foster competition, help reduce the size of the government's debt and counter the VCR threat to national unity after the growing

numbers of ethnic Indians and Chinese had turned to imported videos in their own tongues, shunning the Malay language of Radio Television Malaysia (RTM) programming (RTM, 2004, 2006). TV3 was a huge commercial success. Despite a strong economic recession, it recorded a pre-tax profit of RM 2.16 million in 1985 (Media Prima, 2004).

Five years later, this figure had multiplied to reaching RM31.59 million. This led to rapid changes in the shareholding structure. By 1994, the majority shareholder was under the group of MRCB (Malaysian Resources Corp Bhd), controlled by close associates of Anwar Ibrahim, the then Deputy Prime Minister of Malaysia (Gomez and Jomo, 1997: 91-92). MRCB held 49.65 per cent of Sistem Television Malaysia Berhad (TV3). TV3's positive coverage of Anwar is said to have played a key role in his wresting the UMNO deputy presidency from Tun Ghafar Baba, as part of his premiership bid (Gomez and Jomo, 1997: 126-127). In 1997, Shamsuddin Abdul Kadir, a close associate of Tun Dr. Mahathir, became one of TV3's directors (Gomez and Jomo, 1997: 73). Abdul Rahman was appointed chairman of Malaysian Resources Corp (MRCB) after replacing Nazri as the leading shareholder of Realmedia, which controls MRCB. MRCB is the main shareholder of NSTP and Sistem Television Malaysia Berhad (TV3). Soon after, TV3 and other mainstream media coverage immediately slanted towards Tun Dr. Mahathir. The Malaysian government maintained its effort to further develop the television industry by issuing additional licenses to the private sector. New players in the 1990s include the second terrestrial private television NTV7 in 1998 and the satellite station ASTRO.

Ananda Krishnan plays a major role for the second generation development of media sector in Malaysia, who is known as a close associate of Tun Mahathir. His empire comprises of telecommunication company (telco) Maxis, pay-TV operator Astro All Asia Network (ASTRO), satellite company MEASAT and Tanjong Public Limited Company, which operates in gaming industry and cinema. The disadvantage of Free-to-Air television companies is that they do not own telcos compared to ASTRO. Thus, Maxis, being the largest mobile telecommunication company in Malaysia is the biggest gainer. In Malaysia, another gainer is the music and entertainment industry. Actually, it is the music and entertainment industry that which uses the three sectors (TV, Telco and Internet). A new entertainment market was created, for example, *Akademi Fantasia and the Malaysian Idol*. It became a trend in Malaysia that the music and entertainment industry is able to get an idol or a star using media convergence mechanism. The Internet as well, creates an ample space for the music and entertainment industry (threatened by MP3 and other peer-to-peer program is beside the issue) and Maxis gaining lucratively (Hasmah Zanuddin, 2006).

MEASAT Broadcast Network Systems through ASTRO offers programs over 24 television and eight radio channels. His multiplex cinemas bring the latest movies to Malaysians. Ananda also plans to offer TV services featuring Web-based interactivity. He bought 46 per cent of Maxis, the country's biggest cellular phone company, from British Telecom and AT&T for \$680 million - raising his stake to 70 per cent. With 1.7 million subscribers, it has over 30 per cent of the cellular phone market (ASTRO, 2007).

Australian-educated Ananda made his mark in the 80s as an oil trader. He is a close friend of both former Prime Minister Mahathir Mohamad and Mahathir's former arch-foe Tengku Razaleigh Hamzah. Ananda first came to prominence

helping organize the Live Aid concert with Bob Geldof in the mid-1980s. From oil, he expanded into a Hollywood cartoon studio, stud farms in Australia and lotteries in Malaysia. He is the man behind Petronas Twin-Towers success, which he now part-owns. In the early 90s he began building a multimedia empire and has stakes in TVB.com (the interactive arm of Hong Kong's main broadcaster) and the Shaw Brothers' movie archives (Jomo, 1997: 73-79).

Apart from more of Maxis (which makes him the biggest private telecom player in Malaysia), Ananda is about to make a \$1.2 billion bid for Singapore's No.2 cellular company, M1. Australia's Telstra has been stalking M1 for months to roll into its joint venture with Hong Kong's Pacific Century Cyber Works Limited (which already has 15 per cent of M1). But M1's other shareholders, like Singapore's Keppel Telecom and Singapore Press Holdings, want the best price and Ananda took control (Gomez & Jomo, 1999: 71-92; Ananda Krishnan, 2007).

The nature of control mechanism in the Malaysian media sector is a bit different from the Thai. Elite power works strongly with the GLCs which carries a huge stake of government investment. This mechanism, in away gives the sense of investment stability where government involvement means approval indirectly hence investment fund is secured. Over a period of 50 years after independent several factors arised and the need of Malaysian changes as well. Major changes were seen during the reign of Tun Mahathir where major GLCs were involved in the development of the private media and communication sectors such as television and telecommunications companies.

THAI'S MEDIA SECTOR

The development of radio and television broadcasting reflected the increasing influence of commercialism in the broadcasting system. The three main radio networks in Thailand were comprised of Radio Thailand by the PRD, the MCOT radio, and the Military Radio. The state agencies relied on advertising revenues and let the media entrepreneurs and advertisers control the broadcasting business of these stations. Stations were operated by the state agencies and had revenues from advertisements. Television Channel 5 (by the Army), Channel 9 (by the MCOT), and Channel 11 (by the PRD)

Thailand's six terrestrial TV stations are based in Bangkok and are relayed to all parts of the country through repeaters. Although Thailand has experimented with digital terrestrial television on a trial basis, the delays in establishing the NBC will likely slow the conversion from analogue to digital broadcasting technology. Thai's television channel as below:

- Channel 3 [1] - Owned by MCOT and operated by Bangkok Entertainment Co. Ltd. (owned by BEC World Public Co. Ltd., parent company of BEC-TERO) under contract.
- Channel 5 [2] - Owned and operated by the Royal Thai Army
- Channel 7 [3] - Owned by the Royal Thai Army and operated by the Bangkok Broadcasting & Television Company (BBTV) under contract
- Modernine (Channel 9) [4] - Owned and operated by MCOT.

- Channel 11 [5] - Public service broadcaster; owned and operated by the government's Public Relations Department (PRD).
- TiTV(Thailand Independent TV)(Former iTV [6] - Owned and operated by Shin Corporation under concession from the Prime Minister's Office. However, on March 7 the Prime Minister's Office canceled the concession with Shin Corporation.

Aside from terrestrial television, Thailand has several CATV, MMDS and Satellite television providers. The largest player in the market is the True Visions UBC, which is controlled by the Charoen Pokphand (CP) Group, the massive Thai business conglomerate. True Visions owns concessions from MCOT to operate CATV services in greater Bangkok and encrypted digital satellite TV (DSTV) services throughout the country. It began offering digital cable in 2003. At end of 2003, True Visions had approximately 140,000 subscribers for its CATV service and nearly 300,000 subscribers for its DSTV service. True Visions programming is also carried in Cambodia and Vietnam.

Outside Bangkok, hundreds of independent CATV providers offer services in the provinces. The PRD is technically in charge of regulating provincial cable operators, but only 78 providers have been licensed so far. More than 200 CATV operators are awaiting approval from the PRD, while another 200 operate illegally. The Cable and Satellite Broadcasting Association of Asia estimates that the provincial cable operators reach a total of 1.1 million subscribers (Somchanok Passakonjaras 2007: 231).

Thai TV (TTV) holds a concession from the PRD to operate an MMDS service in the Bangkok Metropolitan Area. TTV currently operates a free-to-air analogue MMDS service with three channels and an encrypted digital MMDS service that offers 16 channels. Nation Multimedia Group, a Thai media conglomerate, Channel NewsAsia from Singapore by MediaCorp currently owns a 12% stake in TTV. Thus, content produced by the Nation Group's Nation Channel features prominently on TTV's programming line-up.

ASTV, owned by news operation holding Manager Media Group, is a free-to-air satellite television network that offers eight channels via Ku band NSS6. Many provincial CATV providers also carry ASTV channels on their line-up. People's Television (PTV), owned by several former executives of the Thai Rak Thai party operates using a similar strategy to ASTV, transmitting their programs via satellite from earth stations outside of Thailand to cable TV operators inside the kingdom. Several of the station's broadcasts were censored by the military junta.

MILITARY AND POLITICAL POWER IN THAI'S MEDIA SECTOR

Throughout the development of media sector in Thai, government agencies and the army are both major players. The nature of military and political power could be analysed using the ownership structure. Radio ownership structures and management could be classified into three types. First, the staff of the stage agencies both managed and ran the stations which were financed by an annual budget. The PRD station and public university stations were in this category. Second, the state agencies as legal owners, who privately managed and operated the stations, allowed

both individuals and private companies to buy airtimes and operate radio programs. The station revenues mainly came from advertisements. The military radio, such as the Army, the Navy and the Air Force stations fitted this category. Last, the stations owned by the Mass Communication Organisation of Thailand (MCOT), a state enterprise located at the office of the Prime Minister, was supervised under a management board. Each MCOT station was operated by a media company under a long-term concession contract. Advertising and air-time leasing were the MCOT's major income (Saitip, 1988: 48).

Television ownership structure and management on the other hand could be divided into three types. First, the stations were operated by the state agencies and had revenues from advertisements. Television Channel 5 (by the Army), Channel 9 (by the MCOT), and Channel 11 (by the PRD) were in this category. The major revenues of Television Channel 5 and Channel 9 were from the advertising and air-time sharing, but Channel 11 was partly financed by the government and partly by the private companies producing the programs for the station. Second, the stations were run by the private companies which received a long-term concession from the state agencies. Channel 3 (the MCOT leased to BEC by Maleenont family) and Channel 7 (the Army leased to BBTv by Rattanak family) were in this type. Under the privilege or private concessions both family companies which had special relationship with the Army and senior politicians were granted 30 year leases and also their concessions had been extended for the second term. Third, the only one station, called ITV, was owned and operated by the public company which the major shareholder was Shin Corporation by Shinawatra family or the ousted Thai's premier Thaksin.

Shin Corp is one of the largest conglomerates in Thailand and a major player in Thai's media industry. It was founded in 1983 as Shinawatra Computer by Thaksin Shinawatra, the former Prime Minister of Thailand, and took on its current name in 1999. On January 23, 2006, the Shinawatra family sold its remaining 49.6 per cent stake in the company to nominees of Temasek Holdings, Singapore government's investment arm, for US\$1.88 billion.

The company is linked by stock control to companies including Shin Satellite and Advance Info Service, the largest mobile phone network in the country. It also holds stakes in Thai AirAsia, a consumer finance company and ITV, a local television station. When Thaksin was still in command, Shin Corp was divided into four lines of business: Wireless Telecommunications Business; Satellite and International Business; Media and Advertising Business and E-Business among others.

Shin Corp also owns Thailand's largest mobile operator, AIS. It was originally granted a 20-year mobile concession by the Telephone Organization of Thailand (TOT) on March 27, 1990. On September 26, 1996, an additional five years were granted whereby extending the concession life to 25 years, which would expire in the year 2016. The Memorandum of Agreements attached thereto is based on "Build-Transfer-Operate" (BTO) principle. Products: GSM Advanced Evolution (Postpaid, 900 MHz), GSM 1800 (Postpaid, 1800 MHz), One-2-Call (Prepaid, 900 MHz), Swasdee (Prepaid, 900 MHz) and Mobilelife (Mobile Content Services)

Originally called Shinawatra Satellite, Shin Satellite Public Company Limited was founded in 1991 after it was granted license by Thailand's Ministry of Transport and Communications permitting it to launch and operate satellites. It was the first company in Thailand to be allowed to do this, and the first privately-owned satellite

company in Asia. King Bhumibol Adulyadej provided a name for the satellite series name, "Thaicom" (it comes from Communications"), symbolizing the link between Thailand and modern communications technology. Shin Satellite has five satellites in geostationary orbit: Thaicom 1, Thaicom 2, Thaicom 3, Thaicom 4 or IPSTAR, and launched Thaicom 5, with corresponding Thai-based customer service facilities just before Thaksin's departure.

ITV now known as TITV after the coup was originally founded in May 9, 1995 under Siam Infotainment Company Limited. In 2000, the company restructured its capital structure. Siam Commercial Bank and ShinCorp were thus ITVs major shareholders. In 2001, Shin Corp became the largest shareholders of ITV (Hasmah Zanuddin, 2006:2), with its 53 per cent of its stake (Somchanok Passakonjaras, 2007: 229). After the Prime Minister's Office allowed state-owned Channel 11 to broadcast commercial advertisements, which were originally not allowed, ITV thus went before an arbitration panel to seek compensation in 2002. Lots of major changes occurred in the year 2004 as the arbitration panel issued its adjudication. The annual concession fee was reduced to Baht 230 million and the minimum guaranteed return payable had dropped to 6.5% of gross earnings before expenses and taxes. From July 3, 2002 onwards, the company was obliged to pay the Prime Minister's Office the higher amount between the two.

Thaksin sold the major stake of Shin Corp to Singapore's state investment arm "Temasek Holding" in 2006. This led to major changes not only to Shin Corp but also to the Kingdom of Thailand as it triggered street protests and a resurgence of military coup on September 19, 2006 and seizure of ITV (Harian Metro, 2007). After the coup, on May 15 2007, Thai's cabinet approved a bill for the reestablishment of a public service television station, funded by "sin taxes" (tax money from gambling revenue, liquor, cigarette, etc). Once the Thai Public Broadcasting Organisation Bill has passed by the National Legislative Assembly (NLA), it will then formally convert to TITV into a public service broadcaster, the first public TV in Thailand (Somchanok Passakonjaras, 2007: 230).

Favoritism and private control of concession by elite group that close to the power that determine the nature of media structure in Thai. The restructuring of the media sector in the 1990s had not been able to bring forward an independent sector or the media away from the political power control of the state. Still, a strong and dominant control by the political power and the army persisted and undermines the independence of the sector and the quality of the media programs. As a state enterprise, MCOT is a typical bureaucratic entity. Although the CEO and top management were professionals, most of middle management and staff still have a bureaucratic operating style. MCOT station is generally low earnings quality, as the bulk of its revenue and earnings are revenue sharing income from BEC and UBC, high bureaucratic style, and high de-valuations in terms of consensus earnings comparatively with other radio and television station. Major trend in Thai that audience and investors switch to BEC, which offers better value. First, BEC has quality management that is very keen on entertainment programs, which are more profitable than news and documentary programs. Second, BEC will be the prime beneficiary of ITV losing its court case. Third, BEC has superior earnings quality, as all its revenue and profit are generated from its own operations. BEC offers 24% upside potential to out target price of Bt21.0, based on 20x 2007 PE and 5.0% 2007 dividend yield.

CONCLUSION

Through the years, the state plays a significant role in shaping the media system in Malaysia and Thailand. But there are considerable differences in the extent of state intervention as well as in the forms it takes. The most important form of state intervention is in the broadcasting sector. Television is the most efficient medium in Malaysia and Thailand. Over 80 per cent of people in both countries depend on TV as their primary source of news. However the structure and the development of broadcasting industry in both countries comparatively have been influenced by political interest. Political interest was strategically charted through patron-client using the GLCs in Malaysia while in Thailand, the state is still the major player, the military and political figure are directly involved. The nature of control mechanism in the Malaysian media sector is a bit different from the Thai. Elite power works strongly with the Malaysian GLCs which carries a huge stake of government investment.

Power sharing and control in the Thai's media sector involved the army and the state; vertical and horizontal order. Vertical control involved a top down state political control through the government department such as PRD and the army. Horizontal power control in all programs and channels by several elite groups involved the mechanism of access to power which directly control the audience through the channels.

Direct control of Shin Corp during Thaksin reign pictured an irony to the media theory where the media is taken as the fourth state which means the media is the watchdog to the power that be. Thaksin's direct control reflected a negative impact. First; violation occurred in terms of no reasonable power and idea sharing dimension horizontally. Second; immediate limitation of plural choices of news and programs respectively. And third; prominent and apparent rise to Thai's discontentment towards Thaksin himself. It angers the Thai's when Shin Corp sold Shin Satellite to Temasek. The Thai's is the only country in South East Asia that had never been colonised and were not keen having Singapore to run their satellite - was like having been colonised in a way indirectly.

This is an important trait and characteristic which determines a deeper relationship between the power of the state and the people. The social-cultural dimension translates the notion of sovereignty of the people and loyalty towards the king. Vertical integration with foreign media ownership had not been accepted favourably. Perhaps, the characteristics entailed might not be understandable and against the normal norm of the western media theory but it is persistent in Malaysia and Thai which makes it unique. State control existed in different characteristics in both countries. As a result, the characteristic determines the media sector structure such as the type of spectrum licenses, revenue sharing and programs output.

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Kantana Group available at <http://www.kantana.co.th>

Kantana Manager available at <http://www.rnanager.co.th>

Thai Media Industry available at <http://www.nationmultimedia.com>

Ananda Krishnan available at <http://www.boi.lk/famous/Ananda.asp>

NOTES

Dirigiste: control by the state in economy and social spheres.