

Breathing space for Thailand?
March 9, 2012
By Our Correspondent

He hasn't yet

Thai publishing magnate Sondhi Limthongkul, the 64-year-old firebrand leader of the royalist Yellow Shirts during years of political upheaval, was sentenced to 20 years in jail Wednesday after pleading guilty to falsifying loan documents and corporate fraud in a case that has interesting political overtones.

But don't count on Sondhi spending any time in jail despite his guilty plea. He hasn't yet. His sentence on the current charges already has been cut from 85 years in prison to 20. He posted bail of Bt3 million and was allowed out despite having pleaded guilty.

"He won't go to prison," said an individual who maintains close relations with him. "He's out on bail. That's not the way they do things in Thailand."

Sondi was previously given three years in prison for libeling his mortal enemy, former Prime Minister Thaksin Shinawatra, was indicted on terrorism charges in 2008 when his People's Alliance for Democracy followers closed down three of Thailand's airports, blockaded the parliament house and staged violent rallies in a successful effort to drive Thaksin's surrogate government out of power.

He also has been accused of insulting Thailand's King Bhumibol Adulyadej during the years of protest that wracked Bangkok. Lese-majeste charges have resulted in long prison sentences for a long string of Red Shirt protesters, the most recent earlier this week.

Sondhi is the founder of Manager Media Group, one of the country's biggest publishing enterprises. The Criminal Court found him guilty of 17 counts of criminal and securities law violations. Three other Manager directors pleaded guilty along with Sondhi and received reduced sentences.

The case against the four relates to a 12-year-old accusation by Thailand's Securities and Exchange Commission of falsifying loan guarantee documents to help secure a Bt1.08 billion loan from Krung Thai Bank. The loan was arranged by The M Group, a private company controlled by Sondhi and a major shareholder in the listed Manager Media Group.

The fact that the SEC made the accusations against Sondhi in a 1990 case but has not taken action until now raises the question whether the publisher's political fortunes might have had something to do with the charges. Parties aligned with the royalist Yellow Shirt movement lost out badly in July, 2011 national elections, which were dominated by the Thaksin surrogate Pheu Thai party in one of the few elections where a single party formed a majority. The party is headed by Yingluck Shinawatra, Thaksin's sister. Sondhi was regarded as an ally of Queen Sirikit although the Yellow Shirts reportedly ceased relations with him after the election.

Sondhi began his crusade against Thaksin in 2005, using his ASTV satellite television channel rev up public opposition and bringing thousands of protesters into the street. The

resulting chaos – and military antipathy to Thaksin -- led to the 2006 coup that drove him from power.

After spending considerable money to fund Yellow Shirt rallies and an abortive Cambodian border squabble prior to the election in which the Yellow Shirts attempted to foment a war with Cambodia over the Preah Vihear Temple, a Hindu historical landmark that straddles the border between the two countries, Sondhi announced in October 2011 that he was broke and closing his television station.

Shortly after the July national election that brought Yingluck and the Pheu Thai Party to power, sources in Bangkok told Asia Sentinel, Thaksin sent an emissary to see Sondhi in effect to sue for peace. Sondhi, the sources said, rejected the peace overture and continued to attack Thaksin.

‘I can’t shoulder the burden any longer,’ the Prachatai news site quoted Sondhi as saying. ‘Because I have nothing. My back is broken. I said I would keep ASTV going until I drop. And that day has come.’

Sondhi’s media empire includes the Thai language Phujatkan, or Manager Daily, as well as ASTV and the regional news website Asia Times Online, among other ventures.

Ironically Thaksin saved Sondhi from financial ruin in 1997, when his businesses melted down in the Asian Financial Crisis. Forced into bankruptcy, the publisher faced multiple investigations into his financial affairs as he juggled funds from one entity to another in an attempt to save his empire. His regional newspaper, Asia Times, was forced to shut its doors and became a website, which still operates at www.atimes.com.

It is unknown what drove the two apart. When Thaksin became prime minister in 2001, he brought several of Sondhi’s allies into the government, including Viroj Nualkhair, who became the head of the state-owned Krung Thai Bank. Viroj forgave more than Bt1 billion (US\$32.6 million at current exchange rates) of Sondhi’s debt, allowing the publisher to escape from bankruptcy. At that point, Sondhi called Thaksin “the best prime minister our country has ever had.” He was able to rebuild his empire.

In 2005, however, for reasons that are unclear, Thaksin fell out with Thaksin. When Thaksin’s allies won the election that followed the coup, Sondhi led demonstrators into the streets again. Eventually, after considerably more political squabbles and machinations, the army pressured enough members of parliament to switch sides that Abhisit Vejjajiva was installed as prime minister, heading the Democrat Party.

In April 2009, gunmen sprayed Sondhi's car with more than 100 bullets, wounding him in the head, which required surgery. The attackers escaped and have never been identified, although the shell casings found at the site of the shooting were identified as having been issued to a Thai army unit.

‘I’ve endured and struggled for over seven years,’ Sondhi was quoted as saying at the time he closed the television station. ‘But I can’t bear all this alone. I’ve had to sell personal property worth over Bt1 billion. Some people have offered us money on condition that we change sides, but we refused.’

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