

Hello,

I just saw a article in the Australian Financial Review on Facebook's submission to your enquiry.

Facebook proposes that they are a multi-sided business. This is handy for them as they can then claim that they are transacting with their users rather than spying on them. The problem with this is that there is no difference between what Facebook does and a single-sided business which surveils its users. Occam's Razor would then dictate that they should be seen as the latter.

In terms of competition, the assertion that Facebook faces intense competition is somewhat true. The strategy that social media platforms such as Facebook and Google use is to buy out possible competitors. For example, Google bought YouTube and Facebook owns Instagram and WhatsApp. This is a winning strategy since they can pay so much that an upcoming company would be stupid not to agree to being bought out.

In this situation, Snapchat can be seen to be the one that got away - and it's not for the want of trying. In 2013, Facebook offered SnapChat's CEO \$3 billion for the company (<https://mashable.com/2014/01/06/snapchat-facebook-acquisition-2/#g1lb.VNB8iqg>).

Ultimately, the effect of buying out the competition *is* anti-competitive behaviour because it destroys competition when small and not allowing it to grow.

Please do consider the above comments as true: I did an honours thesis on social media platforms at the ANU law school last year. I am currently doing work experience towards obtaining a practicing certificate, however, if you would be interested in somebody who is capable and willing to contribute, or in hearing more from me, I would be happy to assist in any way I can.

Here's a legal question: Cambridge Analytica and the i360 program that the Liberal Party claims helped them win the South Australian election allow direct communication with people who are likely to change their vote, so be influenced to change. What effect does this have on the High Court's decision that there is an implied right to political free speech in the Constitution?

Regards,
Karl