In his new book, The Long Tail: Why the Future of Business is Selling Less of More, the American journalist Chris Anderson argues that the end of the blockbuster is nigh. I am not a great one for business trends, and my idea of futurology is to scoff at my horoscope, but I will try to summarise. His theory goes something like this: in the old days, 20 per cent of products used to generate about 80 per cent of revenue. So a bookshop, for instance, would keep lots of the latest Jilly Cooper but devote no shelf space to, say, In the Year of Jubilee by George Gissing. Then along came online retailing, where shelf space is not an issue. Anderson talked to web-based businesses, and they all told him the same thing. If they added up sales of all the obscure stuff they sold, it made as much profit as all the hot stuff; out there on the internet, everything sells because, in the end, everything can find its customer. 'If the 20th-century entertainment industry was about hits,' he writes, 'the 21st will be equally about niches.' The new market of niches is infinite (there are many more albums available on iTunes than your local branch of HMV, and many more books at Amazon than you'll find at Borders). Hence its name: the 'long tail'.

Article continues
On the surface of it, the long tail sounds like good news for the arts. 'Power to the people!' said one newspaper headline last week. 'How consumers took control of pop culture.'

I got pretty excited about it myself: I am all for businesses seeing the value of George Gissing (or Sufi lute music/ the early films of Pasolini/ the almost forgotten novels of BS Johnson - take your pick, fans of the odd and ancient). But every silver lining has its black cloud, and this cloud, if you think about it for more than a minute, is pretty inky. Online trade is dominated by only a few companies, the ones Anderson mentions repeatedly: iTunes, eBay, Amazon. These are giant businesses, and they are ruthless. While they offer the consumer vast choice, don’t forget that they can still fix prices and, in the case of Apple, insist on making iTunes compatible only with iPods. I have a hunch that the kind of people who cherish the obscure are the same people who resent muscular, global companies. Why else do I have such conflicting feelings when I click on Amazon?

A more cheering model might be a company like abebooks.com, which this year celebrates its 10th birthday. Abe is the world's biggest online marketplace for new and secondhand books, but the difference is that it is not a single store but a search service that puts sellers in touch with individual bookshops. You buy from the bookstore in question rather than Abebooks itself. This is a trick that satisfies both devotees of the arcane and enemies of globalisation, which is why it is no surprise to find that one of its Australian founders, Cathy Waters, was running a secondhand book shop when she and her partners came up with their big idea.
In a review of The Long Tail in the New Yorker, the writer John Cassidy warns that Anderson's excited sense of cultural liberation is misplaced. The New Economy, if you take Amazon or Apple as your examples, hasn't really moved beyond 'the familiar winner-take-all dynamic' - however many copies of unreadable literary theory or Japanese bootlegs it is selling. He is right about this, and it's profoundly depressing. Pedants and completists, sentimentalists and all-round weirdos crave more businesses like Abebooks. I don't have high hopes they will appear in the ether, but it'll be niche work for those who can get it.

This charming man

The best West End transfer of the year is not a play but an exhibition - 'Grayson Perry: The Charms of Lincolnshire', at the Victoria Miro gallery. Perry calls his new show 'a poem written in objects'. It comprises not only his own elaborate slipware pottery but Victorian artefacts picked out from the stores of the Museum of Lincolnshire Life. It opened first in February at The Collection, a museum in Lincoln. So, while gallerist Mollie Dent-Brocklehurst takes work by Angus Fairhurst and Damien Hirst to her ancestral Cotswolds home, Sudeley Castle, and the Duke and Duchess of Devonshire announce plans to show new sculpture in the garden at Chatsworth, Perry has brought ghostly embroidered samplers ('Jesus let thy name forever stand') to darkest London. As he suggests, in this context - the space at Victoria Miro, in a canal-side warehouse, is the apotheosis of urban cool - such things seem exotic. The jaded art-loving Hoxtonite has seen it all ... except, that is, for eel stangs and lark lures.

But how did Perry go down in Lincolnshire? It can be startling coming on him when he is dressed as his transvestite alter ego, Claire. The answer appears to be: like a dream. Among the press releases handed to me at Victoria Miro I find a copy of the February cover of Lincolnshire Life, the county's biggest selling magazine. 'Full of Lincolnshire ... Full of Life', says one cover line. 'Nocton past and present', boasts another. A third reads simply: 'Grayson Perry and The Charms of Lincolnshire'. It is only then that I look at the cover photo: a country house, a classic car and - standing beside it, handbag over arm, Her Majesty-style - Grayson. He wears a white dress with rosebud design; no one would ever know him for a man. This is a good joke, but it also captures the essence of Perry's work. At first sight, all is cosily normal. Get closer, and nothing is as it seemed. Every
piece in his new show pulls off this subversive trick. I can't tell you how good it is. Lincolnshire was lucky to get there first.

**Give us an oscar**

Does this column have the ears of people who matter? Perhaps. In February I wrote furiously about the fact that Michael Haneke's Caché (Hidden) would not be considered for an Oscar for best foreign film. It was ineligible on the grounds that it was put up by Austria (Haneke is Austrian), even though its dialogue is in French; Oscar rules dictate that foreign films must be in the principal language of the country that submits them. Now this dumb rule is to be abandoned; a country will be able to submit a film in any language - so long as it is not peppered with too much English. I was not the only person to rant over Hidden's exclusion, but even so: I am claiming the Academy's change of heart as this column's first cultural victory.

- What do you think? review@observer.co.uk