

After 500 years of Sunni rule, Iraq's election will hand power to the Shia majority. This terrifies Sunnis, and gives Shia factions a common goal is masterminded by none other than Ahmed Chalabi.

The hundred-mile drive from Baghdad to Najaf usually takes about three hours. It is hot country with low dusty towns and villages built of mud brick. About halfway along the road there is a turn to the right marked by an arch in the form of a pair of swords meeting at the tips. They are double-tipped swords, curved like those of the Imam Ali, whose defeat in war in 657 was the founding event of the Shia faith. The turning leads to Karbala but the bridge on the way was blown up during last year's invasion and has not been repaired.

Iraqis call the middle part of this route the Bermuda triangle, on account of the kidnappings, ambushes and roadside bombs that happen there. This is Shia country, but along the road there are two adjacent towns called Mahmoudiya and Latifiya with Sunni minorities of maybe 25 or 30 per cent. Saddam Hussein used to give extra support to such pockets of Sunnis. He knew that his co-religionists in places like these had a special stake in supporting his rule: they felt surrounded, which they were, and embattled, which they would become if the Ba'athist order were ever upended. With jobs, construction and money, Saddam took extra pains to secure their loyalty. The Shias dominate the population here south of Baghdad, but today it is Sunni violence that sets the tone.

On a broader national scale, Iraq's 60 per cent Shia majority faces a challenge similar to that posed by this local Sunni insurgency at the gateway to the holiest Shia cities: Najaf and Karbala. With the approach of the elections scheduled for January, the Shias are looking forward to their first chance to run their affairs since the Ottomans conquered southern Mesopotamia in 1534. But Sunnis, after five centuries as the ruling minority, do not want to let it happen.

In Najaf, an hour south of the Bermuda triangle, the Shias themselves have raised two insurrections this year, one from April to June and the other in August. The uprisings pitted the supporters of radical young cleric Muqtada al-Sadr against the US-led occupation but also highlighted major schisms within the Shia community. Iraqis have lots of theories about why these uprisings began. Some Shias blame trigger-happy Spanish troops upset by the Madrid bombings. Others blame the replacement of the US first infantry division by the more gung-ho 11th marine expeditionary unit. Some say Muqtada's men are thugs who prefer a criminal environment, or martyrs protecting Shia Islam's holiest places, or fundamentalists gunning for a theocracy, or simply the voice of

a miserably poor community that has not seen the democracy or the improved life it was promised.

The real reason is likely to be that Muqtada was fighting for tactical advantage within the Shia community, seizing momentum from the older, conservative clerical establishment - and all the while earning cross-sectarian credit as Iraq's most vocal anti-occupation nationalist. Muqtada is certainly attuned to the January elections and the opportunity they represent. As the fighting faded in Najaf at the end of the most recent uprising, men at his headquarters next to the Imam Ali shrine showed me a photocopy of an agreement between him and Grand Ayatollah Ali al-Sistani, bearing the seals of the two men. Among Muqtada's five commitments was a promise to "participate actively in the political process" and "work co-operatively" towards the elections. In a little-noticed development of profound importance for the prospects of Iraqi democracy, Muqtada is currently making good on that promise under the guidance of the secular Shia politician Ahmed Chalabi.

An angry and fearful Sunni minority, an occupation whose presence seems, in the eyes of many Shias, to taint the progress it promulgates, and divisions within their own ranks: these are the main challenges for the Shias as Iraq looks ahead to January. The response of Iraq's majority sect to these issues will determine the next phase of Iraq's transition.

It would be wrong to refer to Iraq's 15m-odd Shias as a "community." The very notion of Shia identity in Iraq, of a sense of self-awareness shared across tribal, economic, political and even religious strata, is problematic. Before the expansion of the Iraqi oil industry radically changed the country's demography in the 1950s and 1960s, there were three principal Shia elites. The largest, and quietest, was made up of tribal chiefs looked up to by the nomads and farmers of the country's southern half - from the marshes in the southeast, across the "land between the rivers" and into the vast desert bordering Arabia.

A second elite was the religious establishment in the cluster of holy cities south of Baghdad - Najaf, Karbala and to a lesser extent Kufa. Largely hereditary, often competing with Iranian cities such as Qom for global leadership of the sect, and entwined with the local hierarchy of merchant families, Iraq's Shia clerical aristocracy traditionally eschewed participation in government but nonetheless exerted much influence.

The merchant class formed a third elite. The merchants of the holy cities had an interest in maintaining the international flow of pilgrims and corpses to Shia Islam's most revered shrines and cemeteries. In bigger towns like Baghdad and Basra, a more secular middle class of tradesmen

and, later, financiers and courtiers, strove for influence under the Sunni-dominated rule of the Ottomans, the British and the Iraqi monarchy.

In the 1950s, it all began to change. The urban boom that accompanied the expansion of the Iraqi oil industry led vast hordes of the rural poor into the big cities. By 1961, Wilfred Thesiger was writing about the Shia marsh Arabs sucked into an "old-fashioned gold rush... the stampede to the towns... this mass immigration." He loathed the drain of nomads into big cities, and especially mourned the fate of the young boys who heeded the siren call of progress. Those who did leave the marshes or the countryside, said Thesiger, "like hundreds of thousands of others in Iraq... probably ended by selling newspapers or Coca-Cola in Basra or Baghdad, as well as stealing from cars and pimping for taxi drivers."

Today, the Shias of Iraq are largely an urban people, and the majority of them lead dreary lives in very unpleasant slums. Their sons are doing just what Thesiger predicted. Or they are fighting the Americans. Only a quarter of Iraq's Shias attend mosques regularly, but their dismal material existences and the physical insecurity in some parts of the country are leading to increasingly intense religious identification. And unlike their tribal forebears in the marshes and deserts only 50 years ago, these people are not quiet. Muqtada al-Sadr is their voice.

On the road to Najaf, you leave the Bermuda triangle behind when you pass the final eucalyptus grove of Latifiya. Before you reach that point, there is always a blood-congealing traffic jam that snarls the main crossroads during daylight. In the mornings, the slow-crawl congestion provides a chance for a long look at the roadside police station, its roof blasted off and its walls scorched. On its half-standing concrete curtain wall, spray-painted Arabic script proclaims: "We will kill all the dogs who work with the Americans. We will kill the slaves of dollars. We will kick the dirty Americans out of our country."

In the late afternoons the traffic comes to a full stop, as there has almost always been a bomb or an ambush ahead. If you are a foreigner in the back of a car, it makes sense to lie down. After half an hour of silent promises that you will never travel that road again, you and your companions might squeeze through the bottleneck created by a new crater in the road. Or if the jam is really bad, you might turn off on to the dirt roads between the eucalyptus trees and the maize, and hope that the obscuring dust is protection enough as you crawl through the rebel Sunni countryside where the two French journalists, captured on the main road in August, are said to be held.

Then at last there is the final eucalyptus grove, where the traffic pattern changes again: pedal-to-the-floor on a straight road, swerving past

slower vehicles until the last trees slip past. Now you are in Shia country proper and you feel safer, for there is a big difference between Sunni and Shia violence in Iraq.

The basic formula is simple. The Shias, with 55-60 per cent of the population, want elections as soon as possible. The Sunnis, with 15-20 per cent of the population, fear democracy. And the Kurds, with another 15-20 per cent, will play along politely while they wait in their mountains for someone to make the wrong move that either forces or allows them to complete their independence.

History adds passion to these dry numbers. Iraq's Shias have lived under mostly Sunni rule since their first imam, Ali, was deposed from the caliphate in 657, 25 years after the death of Muhammad. The Ottoman conquest in 1534 brought rule by local Sunnis in the service of the global caliphate based in Istanbul. When the British were given the mandate to rule in 1920, they relied on Sunnis. In 1932, when Iraq was granted independence, the British brought in a Sunni monarchy. Sunni officers overthrew the monarchy in 1958 and Saddam's Ba'ath party took over in 1968. (Saddam, already effective leader, became president 11 years later.) He ruled for 30 years with his Sunni clique of national socialists and tribal cronies. After these five centuries of subordination, there is today a wrenching urgency in Shia politics. The long wait may finally be over.

The Sunni position is equally inflamed by the past. After five centuries of rule, the Sunnis hate the sudden prospect of relegation to a parliamentary presence not much larger than that of Britain's Liberal Democrats. Iraq's Sunnis have already lost the material privileges - better jobs, places at universities, more services in their towns - that Saddam gave them for 30-odd years. Predictably, it is those who have lost most who are reacting most violently to the notion of ratifying these changes in January: senior party officials, clansmen from Saddam's home town of Tikrit, members high and low of Saddam's enormous apparatus of violence, residents of isolated Sunni pockets such as the Bermuda triangle towns.

A relatively orderly autumn means elections in January. For the Ba'athists and Salafis - the revanchist outlaws and the Islamist fundamentalists - who perpetrate Iraq's Sunni violence, such an outcome is unacceptable. Chaos is what they need.

Thus Sunni violence is more a matter of terrorism than of insurgency. It is Sunnis who carry out the spectacular, media-driven acts of violence: the car bombs, the suicide attacks on queues of police recruits or children celebrating a new sewage facility, the abduction of aid workers, the

assassination of foreign workers like Ken Bigley who are helping to rebuild the country. For the Ba'athists and Salafis, tiny and electorally hopeless minorities within a larger Sunni minority, driving out the occupation is not the priority. It gives them their *raison d'etre*, and in Falluja it has even given them salaries and uniforms. Their real target is the reconstruction of Iraq.

This should not be a surprise. For the Sunni extremists, and for the moderates who collude with their silent support, Iraq is a Shia country waiting to happen. Nobody - not the Baghdad government, the occupation, the UN, the Shias themselves - is explaining to them that "democracy" does not have to mean the "tyranny of the majority." Grand Ayatollah Ali al-Sistani, the 74-year-old grand spiritual leader of the Shias, contributed to the Sunni fears this summer by insisting that the UN resolution laying out a framework for the occupation and the electoral and constitutional processes ignore Iraq's federalist interim constitution. He has since made noises about minority rights under a Shia-dominated democracy, but Sunnis remain profoundly worried.

The Shia violence in Iraq is very different from the Sunni version. It is truly an insurgency. Instead of targeting Iraqis, aid workers, lorry drivers and infrastructure, it targets occupation forces. The weapons of the Shia insurrection are Kalashnikovs and modified Katyusha launch tubes - rather than the car bomb and the camcorder. During the last Najaf siege, a British journalist and a French documentary-maker were kidnapped by Shias in separate incidents in southern Iraq. Muqtada al-Sadr quickly secured their release. When Shias near Basra started attacking the oil pipelines, Muqtada's office in Najaf made them stop. The Shia rebels want the occupation out but they share the occupation's main objective: a stable, democratic Iraq.

Muqtada's forces are called the Mahdi army and the black they wear is the colour of the Imam Muhammad al-Mahdi. The last of the Shias' 12 imams, the Mahdi disappeared in an act of divine concealment in Samarra in the 9th century. His return, when it comes, will bring an age of justice.

Until then, Shiism must define itself by grievance. The faith began with the rejection, betrayal, and murder of Imam Ali by Muslim political rivals in the 7th century. Ali's followers claimed that Ali, as Muhammad's closest male relative, should have been ruler of the Islamic community. Thus for the next thousand years the world of Islam was ruled by a series of caliphs whose power the Shias considered illegitimate. According to the Shias, all but one of their 12 imams - Ali and his heirs - were murdered by the Sunni caliphs. The final imam was the only one to

escape: the Mahdi, hidden by God, until whose return there can be no justice.

In the time of Ali and for 19 years after his death, the Shiah-i-Ali (party of Ali) was largely a political movement expressing disaffection with the worldly power of the caliphate. That changed with the second of Shiism's two great founding moments: the massacre of Ali's son Hussein and a small group of followers at Karbala in 680. Most of the murders of the Shia imams at the hands of the Sunnis were nasty little assassinations. Poison was the main weapon. Hussein's death at Karbala was different, bigger and somehow more shocking. It was the first time that the family of the Prophet had been martyred in an all-out slaughter involving large groups.

The searing events at Karbala turned the Shiah-i-Ali, the political movement of the dispossessed into a fully-fledged sect. Today the Shias account for 10 per cent of Muslims worldwide. They commemorate Hussein's martyrdom and the complicity of their forebears in annual pilgrimages and passion plays. In February they will be back on the streets of Karbala in their millions for the day of Ashura. Weeping and howling, flagellating themselves and others, they will be beating their chests and foreheads, cutting their own scalps, celebrating guilt and oppression with white clothes, swords and blood.

Ali is said to be buried in a tomb at the famous shrine in Najaf. The city is also home to the four-man council of grand ayatollahs, which provides scholarly and spiritual leadership to Shias around the world. (Iranian Shiism, because of its close connection with the Iranian state, is currently somewhat separate from the global faith.) Najaf's cemetery, the Valley of Peace, offering an eternity in close proximity to the Imam Ali, is where all Shias aspire to be buried. With 5m graves, Shiism's holiest city is the largest concentration of death on earth.

On any road to Najaf you will usually see vehicles with coffins strapped to their roofs, bringing bodies for burial in the precinct of Ali. The corpses have been coming in every day for a millennium in an endless pilgrimage of the dead. They come from India and Pakistan, from Lebanon, Iran, the Gulf, the Caucasus and north Africa. Heading south from Baghdad on any morning after a night of fighting in Sadr City, the capital's vast Shia slum, you can find yourself looking across the streaming tarmac at a pick-up truck full of Mahdi fighters bringing a dead friend to his resting place. You will know them by their black beards and black T-shirts, and you will see their anger even if you can't hear it as they mouth their chants and incantations through the wind and dust.

In August, many like them went south to Najaf to die as well as to be buried. For three weeks the cemetery became a battlefield and the city became a cemetery. The graveyard is like a small city anyway: five square miles of alleys and narrow lanes between tombs and mausoleums that look like tiny houses. The crypts and catafalques were killing zones for the Mahdi army and the US marines and cavalry this summer. Neither side worried much about the eternal rest of those who had already died - the underground tombs in the Valley of Peace were littered with cigarette butts and streaked toilet paper. Above, empty brown US military food packets were blowing around in the dust among the hundreds of olive green ordinance shells. A packet of strawberry milkshake sat ripped open atop a grave, its white powder spilled out on the flat tombstone. Tank treads have laid lines of rubble along the narrow paths. For all the violence in this city of the dead, I saw only two graves that had been destroyed completely. While I was nearby, two middle-aged men arrived. They searched through the detritus of the two graves and then held up a pair of tablets, each bearing the name of a man from near Karbala. "This is my father's grave," said one of them. He was crying. "Why did he have to die twice?" he asked.

At the height of the August violence in Najaf, crowds surged through the streets and the Iraqi police and national guard careened about in lorries and SUVs, AKs bristling out of windows or over rails probably made for sheep. Dozens had been killed in Najaf and nearby Kufa that morning and the day before (one never knows the real numbers in Iraq). There seemed to be gunfire everywhere and puddles of blood were still red on the pavements. Ambulance drivers were refusing to take Shia wounded to the hospital - for the good of the wounded. They said the Iraqi police were executing the wounded as partisans.

With an Iraqi friend I ducked through a doorway and into the front room of a house. There were four men inside. On the walls there were posters of Muqtada al-Sadr and his father, Ayatollah Muhammad Sadiq al-Sadr, murdered by Saddam in 1999. The posters showed the al-Sadr's looking fierce or wise, superimposed upon backgrounds of vast crowds, with slogans and images of masked gunmen dressed in black. The main thing I noticed about my hosts, these Muqtada supporters, is that they were not all that young, and we were not in a slum. I wondered where their pictures of Sistani were. The people of Najaf were supposed to be relatively conservative.

"Spiritually, Sistani is undisputed," they told me. (Muqtada is at the very bottom of Shiism's very hierarchical clerical ladder.) "But the political leadership is entirely Muqtada al-Sadr. Muqtada is the only true nationalist in Iraq - like his father before him." Muqtada's father had led the Shia resistance to Saddam in the 1980s and 1990s. In contrast to his

Iranian-born, naturally cautious contemporary Ali al-Sistani, Muhammad Sadiq al-Sadr was a home-grown Arab who mobilised the poor through a wide network in mosques and communities, preaching to hundreds of thousands at his fiery Friday prayers. I have often heard this refrain among the Shia: Sistani, they say, is our spiritual leader, but our problems are political, and only Muqtada speaks to those.

In the heart of the old city stands the holy shrine of Imam Ali. Across the street, fire trucks were hosing blood from the shrine's broad forecourt. An old man told me that 150 people had been buried in front of us when the building above them collapsed. Some were still alive yesterday, banging on a metal door.

In the devastation around us there was a peculiar beauty: shards of glass spun and suspended in windows like mobiles, bright orange awnings flapping dreamily in a light breeze, and a sparkling everywhere underfoot. When Shias pray, they often put a little tablet, made from Karbala clay, on the ground towards Mecca. When they bow forward, their heads touch the holy earth. Piles of these tablets, wrapped up in white paper with jaunty red strings, lay in broken heaps outside the shrine. On a later visit to Najaf, looking ahead to the elections planned for the end of January, I visited the offices of Muqtada himself in a couple of rundown houses in an alley next to the Imam Ali shrine. I wanted to know what sort of an Iraq his people envisioned. There were reports from his year-long rule in the centre of Najaf that the Mahdi army was a Taleban-in-waiting.

Ahmed Sheybani is one of Muqtada's top three advisers. He is thin, and dresses all in white. He is 34, which makes him five to ten years older than his boss (Muqtada claims to be 31 but is widely believed to be younger). Sheybani spoke nervously, with glazed eyes that never looked at me. "Ninety per cent of this country is Islamic," he told me, "so naturally the new regime would be considered Islamic. But this would not be intolerant Islamic rule. It will respect the rights of minorities. It will not oblige Sunnis to abide by Shia law, or Christians to behave like Muslims. The most important thing is to protect the rights of minorities. Alcohol is permitted for Christians, for example. It should be permitted for Christians to go to church, or Jews to the synagogue.

"Within the Shia community, drinking or playing music will be punished if it is public or provocative, just as for Christians to have more than one wife is forbidden. Islamic law will be applied to Islamic women. Women should be in all professions, but they would have to wear a scarf. Women are like gems. If you see a precious stone in a precious case, you will want it more than if you see it in a cheap case. Look at your Virgin Mary - she covered her head." It will be normal to have different levels of law.

In America, for example, they have federal law and state law. For the Kurds, their independence is forbidden internationally. Their army should be under the central government, but in other matters we are comfortable with federalism within a unified Iraq."

In the alley outside Muqtada's offices it looked as if they were preparing for an earthquake, not government. Medical supplies lined the narrow space: glass ampoules of potassium chloride from France, bandages from the Korean International Co-operation Agency, intravenous glucose from Egypt, Great Northern beans from USAid. In late September, Sheybani was arrested by US marines in a 2am raid on the alley. He has not been released.

Among religious Shias in Iraq, the older clerical establishment of Najaf represents the opposite end of the spectrum to Muqtada's people. While religious authority is not hereditary in Shia Islam, it has tended to function that way over the centuries. Muqtada comes from a clerical lineage as distinguished and ancient as any in global Shiism - but his father was a rabble-rousing man of the people and so is he. Muqtada's people are blamed by everyone except themselves for the murder of Sistani's advocate, the moderate cleric Abdul Majid al-Khoei, when he returned in April 2003. No love was lost in the old days between the Khoei-Sistani camp and Muqtada's father.

Radwan Killidar is the 41-year-old hereditary keeper of the keys of the Najaf shrine, the 11th in his family to hold the position. Saddam summoned him from exile to take over after his father's death, but Radwan demurred. His brother took the job instead, but was executed after the Shia intifada of 1991. A cousin then stepped up but was killed, along with al-Khoei, by Muqtada's men outside the shrine in 2003.

According to Radwan, the Mahdi army took the shrine by force a year later. "At the beginning of 2004, Muqtada's people came in from Sadr City, Kufa, everywhere, and took over Najaf. They took the keys to the shrine from my deputy. They told him: 'You've got children, why make them orphans?' My people are part of the religious establishment, so they don't carry weapons. I had given them directions not to spill one drop of blood. Within a couple of months the Mahdi army had made the shrine their base. They sacked my people, beat them. Before they took over, Najaf was a thriving city. Muslims came from all over the world - from the Gulf, India, Iran, Pakistan. Now the lives of Najafis have been ruined.

"If the Mahdi army was a nationalist movement they would not have signed up with Iran. I have seen their food and medicine. It is all Iranian. Meanwhile I have been in Najaf for one year and I never saw the Spanish

or the Americans anywhere near the shrine. In fact, I haven't seen them much at all.

"I think we are talking about a Taleban-in-waiting. I have heard of people in Najaf being called to the Shari'a courts and when they refused to go they were shot outside their doors."

Twenty years before the fall of Saddam thrust Sistani and his camp into politics, Iraq had two main Shia parties: the Da'wa and the Supreme Council for the Revolution in Iraq (SCIRI). Both have joined the various Iraqi political structures arranged by the occupation, and in so doing have lost support with the most militant Shia "street."

The Da'wa, or "Call," fought for 30 years against the Ba'ath party following Iraq's pseudo-communist revolution in 1958. Muhammad Bakir al-Sadr was its chief founder. In 1980, in the aftermath of activities inspired by Iran's successful Shia revolution the previous year, he became the first grand ayatollah in modern history to be executed. Over the next 23 years, as Saddam's regime identified Shia activism with the Da'wa, about 60,000 Shias were executed under a decree making Da'wa membership punishable by death. The Da'wa is split today, but in May Ibrahim Jaffari, the leader of its main faction, was rated the third most important public figure in Iraq (after Sistani and Muqtada) in a Financial Times poll. As one of Iraq's two vice-presidents, Jaffari has more personal support than anyone else in the Iraqi government. He could well command 10 per cent of the Iraqi electorate. His party has huge prestige from its suffering and its long record of struggle, but is essentially moderate with regard to Islam. It has not seized the post-invasion opportunities as aggressively as Muqtada, and its more measured approach might well endear it to the elusive "silent majority." That said, the youthful and urban demographics of Iraq's Shias render the very existence of a "silent majority" debatable.

SCIRI is a coalition of sorts that was founded as an Iranian initiative in 1982. During Saddam's time the Iranian connection gave SCIRI the advantage of a safe haven, plus training facilities for its military wing, the Badr Brigades, a militia that at the time of the March 2003 invasion numbered around 10,000 men in uniform. The Iranian connection has since made it difficult for SCIRI to claim legitimacy in the eyes of Iraqis, but the group does enjoy residual respect. When its leader Muhammad Baqir al-Hakim was killed by a giant car bomb outside the holy shrine in Najaf in August 2003, 100,000 Shias mourned him in the city's streets. Since his death, or maybe long before, the wind seems to have left SCIRI's sails. The head of its newspaper in Baghdad once unwittingly explained his party's flaccid condition to me thus: "SCIRI appeals to educated individuals who believe in a united Iraq without sectarianism or

partisanship. We are not a party but a movement capable of containing multiple directions within a humanitarian framework." He thought that SCIRI would run jointly "with Da'wa and other Shia parties" at the January elections. SCIRI will be a player in January, but not a prime mover.

Najaf is the spiritual capital of Iraqi Shias, and a constant cockpit for the ebbs and flows of their fortunes. But Sadr City is where the demographic heft lies. As Iraq's pre-eminent slum, it is also the place that embodies the energy of Iraqi Shia politics. With 3m people, it comprises half of all of Baghdad, almost 25 per cent of Iraq's Shia population, and over 10 per cent of the entire country.

In daylight, Sadr City can be a relatively straightforward slum. The sidewalks seem an endless alternation of puddles and rubbish. The animals of the barnyard are everywhere, beast and fowl resting in shade, drinking from rusting oil drums, picking through the drifts of rubbish, fleeing children. It is as if some ancient bucolic life had been laid down accidentally on top of the sewage and the broken streets: people and animals in a concrete arcadia where the loamy soil is trash a foot thick and the babbling brook is a gutter. Only the horses look alright - sad animals, but handsome-boned and not skinny.

The physiology of war is ubiquitous: walls pocked with bullet holes like bad acne, beards of blackened concrete around the windows of gutted houses, lampposts knocked over by Bradleys and crooked like withered limbs. Even now, long after the end of the August uprising, there is fighting in Sadr City every night as the Americans probe the edges of the slum or "thunder run" in their tanks down the boulevards.

On rooftops and in the streets there are many Shia flags, mostly green and black. These flags always - in Najaf, too, and elsewhere - seem to have frayed or cut edges and to be on long thin poles that slant over at an angle that looks both romantic and sinister. The green ones are for Ali and his martyrdom. The black ones are for al-Mahdi and the hope of his return. Black is the colour of Shia optimism.

Like any slum, Sadr City is full of children. The youngest play war games and the oldest direct traffic for the Mahdi army. On the way to a friend's house one day, I was told by a couple of kids, "No no, don't step there, there's a mine." There was no mine, but the kids weren't exactly joking. They were playing a new game called "Mahdi army and Americans." A hundred yards away a ten-year-old girl was teaching her little sister how to shoot a toy RPG - three feet of PVC pipe with a cone on the front and the bottom of a Sprite bottle providing the juice at the back. Thesiger

would have approved, if they hadn't been girls. It was better than selling Coca-Cola.

Muqtada al-Sadr's baby face and beard are on posters everywhere. The only other face you will see on a wall in Sadr City is his father. The many residents I have spoken to have all told me that in an election they will simply follow Muqtada's wishes. If there is no election, they won't mind unless Muqtada minds. If he minds, they will mind a lot. Despite the nightly fighting in the city that bears his father's name, Muqtada is reaching an accommodation with Iraq's political process. While he and the occupation loathe each other, they have common cause on the matter of most importance to them. Unlike the Sunnis, with their fears about a democracy that has not proved that it can guarantee them anything, Muqtada and the Americans both want a quiet vote in January.

In September, a member of Muqtada's four-man inner circle for political planning told me that the movement was planning to form a political party and run in the January elections. They were still working out the details, but if true, this would be a mammoth boost for the democratic project. They even had a working name: the Al-Mahdi party. Early in October, Muqtada's people went public with these intentions, telling the New York Times, "We are ready to enter the democratic process."

The Al-Mahdi party, with its connotations of wild eyes and Kalashnikovs, is now out. The Patriotic Alliance is in. It is a masterful name - inclusive, positive and entirely unobjectionable. It is not the sort of name that would emerge naturally from Muqtada's dirty back alley in Najaf. It bears the imprint of Iraq's most intelligent politician and the emerging leader of the entire Shia political current: Ahmed Chalabi.

Chalabi's comeback is no surprise. The flux and chaos of Iraqi politics sail straight into his sweet spot. The yogi-like Sistani in the Najaf alley he never leaves, dozy old SCIRI, earnest Da'wa, the pimply Mahdi army, a dozen frenetic little sub-groups, all floundering with a new system called constitutional democracy that has not been quite settled yet and that none of them has ever really had to understand - it is all Karbala clay in the hands of a master sculptor.

Iraqis know that Chalabi is the one man alive without whom Saddam would still be their ruler. And from the moment of Saddam's fall, just as leading up to it, Chalabi has done everything right. He has publicly (if not necessarily privately) fallen out with Washington over a featherweight intelligence stink involving Iran. The world has watched the Allawi government vandalise his house and issue a ludicrous arrest warrant accusing him of counterfeiting Iraq's worthless old currency. Shortly

before I last spoke to Chalabi, he had survived an ambush that killed two of his guards at Mahmudiya in the Bermuda triangle.

Saddam, Washington, Allawi, the Sunnis: Chalabi has the right enemies. When I pointed this out to him at his house in Baghdad last month he laughed and said: "That's not a bad thing." Equally importantly, he has the right friends. A member, like Allawi, of a leading family from Baghdad's secular Shia merchant class (Chalabi means "head merchant") he has been assiduously strengthening his position among his fellow Shias. The Mahmoudiya ambush took place after a meeting in Najaf between Chalabi and Sistani. Chalabi claims to have met with Sistani "ten or 12 times" - far more than any other political figure could claim - and he is one of the few Iraqi politicians to have been granted a meeting with Muqtada.

Meanwhile, Chalabi played an active role in the parleying that brought an end to the Shia revolts in Najaf this spring and summer, and has created two Shia groups - the Shia house and the Shia political council - that bring Iraq's Shia political movements and parties together under a loose "umbrella" reminiscent of Chalabi's Iraqi National Congress (INC) during the last years of Saddam. Chalabi's unified Shia front, running as a single list, is likely to capture close to the full Shia 60 per cent at January's elections (which will happen on time, as the coalition rightly fears a Shia uprising far more than it fears the remaining Sunni suicide bombers). The likely breakdown of this 60 per cent is as follows: 25 per cent for Muqtada's party, 15 per cent for the Da'wa, 10 per cent for SCIRI and 10 per cent for other parties such as the INC, Allawi's Iraqi National Accord, the two Iraqi Hizbollah parties, and others. The two Kurdish parties, the KDP and PUK, which will gain around 20 per cent of the total vote, may also join the list. The main Sunni grouping is likely to be the Association of Islamic Scholars, which has so far ruled out participating in the elections but is likely to change its mind. A few secular parties, including the Iraqi Communist party, are likely to put themselves forward. Former senior Ba'athists and members of Saddam's agencies of repression are barred from standing.

When I saw Chalabi last, he had just arranged for Ali Smeasim, Muqtada's top lieutenant, to visit the Kurds in their capital at Sulaimani. Muqtada's people have since reached out to various Sunni Arab groups, and he has met with Chalabi's Shia political council ten times or more. This unlikely sensei and young samurai, the desert fox and the backstreet preacher, seem to be getting along very well.

This is more bad news for the Sunnis. So deep is the identity basis for politics in Iraq, and so persuasive are Chalabi's coalition-building skills, that Muqtada is far more likely to team up with fellow Shias, even if they

are relatively moderate, than with fellow revolutionaries across the sectarian divide.

Talking to Chalabi is a pleasure. He has a sense of humour, which is rare enough in Iraq (although people on the street do sometimes ask my Iraqi friends how much they are planning to sell me for), and a frankness below the politician's surface that can make a meeting feel like an enjoyable conversation rather than a lecture or a battle. When he says, for example, "My position is to involve the people who resisted Saddam," he is doing much more than legitimising former exiles such as himself. He is referring to Muqtada, scion of a martyred father, and the old Shia parties that were slaughtered in the 1991 uprisings, and the Kurds who gave the INC an army through the 1990s. Unfortunately, "the people who resisted Saddam" also means "everyone but the Sunnis."

The formula can still work, however. We have seen the vision, spelled out to me by Muqtada's people in Najaf, of different communities enjoying a degree of freedom and separation: "The most important thing is to protect the rights of minorities... We are comfortable with federalism within a unified Iraq..." The message is credible so far. While Muqtada's number three - Sheybani - was explaining it to me in Najaf, his number two was in the north explaining it to the Kurds. And Sistani seems to be a guarantee standing behind the rhetoric of the more active players. Under Chalabi's tutelage, this pragmatism is bound to grow. As he says, "It's a fiction to think that the Iraqi government will ever be strong enough to force a certain system on any big group of people. We can't start killing people just because they want to run their own affairs." Iraq's interim constitution allows any three or more of the country's 18 provinces to form a federal unit. Chalabi says there is no reason why Iraq should not divide into six of these, or three.

In the meantime Iraqis have a lot of voting ahead of them. The 275-member national assembly to be elected in January will draft a constitution by August, which will be put to a referendum two months later. By December 2005, elections under the new constitution are due. The January election will be held by proportional representation under a national party list system, which sidesteps the problem of lack of local political organisation. There will be about 30,000 voting booths scattered across the 275 electoral districts, with everyone voting for the same party lists. A quarter of seats are reserved for women.

If Iraq's Shias cannot persuade the Sunnis that they are sincere about minority rights in these elections, the Sunni attempt to derail the January election will grow more intense. "Sistani has been very firm about his desire to see these elections take place," says Chalabi. The schedule of

early sovereignty and January elections is, indeed, Sistani's. "If elections are postponed it will only exacerbate the security situation."

Seyid Hazem al Araji, Muqtada's top man in Baghdad, reinforces that view. Before his recent incarceration by the Americans, he told me that if there were any delay to the elections, "There will be doomsday."

Iraq's Shias have been waiting 500 years, indeed since the murder of Ali, and now their time is here.