Ruth Lister drove her shining 7-series BMW with aplomb down one of the worst roads I have ever seen. It was so badly potholed and steep that we might have been in Tibet. And so, in a sense, we were. For though physically we were in the small West Yorkshire town of Hebben Bridge, making light conversation about the inequities of the council roads department, we had come to discuss the oracles and demons of ancient Tibet. Ruth and her husband Ron were central figures in an unprecedented attack on the Dalai Lama and are among the organisers of demonstrations against him planned for his visit to this country, which begins today and culminates in an appearance at the Alexandra palace in north London on Saturday. They even have their own alternative spiritual leader.

I had come to talk to them about the Shugden Supporters Community, the shadowy group they founded which had been bombarding the English media and the worldwide Internet with accusations that the Dalai Lama is "persecuting his own people" by discouraging or even forbidding the worship of a deity named Dorje Shugden. Originally the ghost of a disgruntled 17-century abbot in the monasteries under his control. Such worship is causing disharmony among Tibet's protector deities, the Dalai Lama says. He is a harmful spirit whose veneration may even be assisting the Chinese oppressors.

No one had heard of the Shugden Supporters, or the still more mysterious Freedom Foundation, until the spring, when they both started to issue press releases. Ringing the number given by one of these organizations, I got through to the Buddhist centre run by a rich, fast-growing and secretive Buddhist sect called the NKT (New Kadampa Tradition). It was in Hebben Bridge, in Ruth Lister's house, that Steven Lane, a plump young man in his twenties with monkishly cropped hair, arranged to tell me the story of the Shugden Supporters Community.

Steven Lane talked for nearly an hour, hardly drawing breath, without notes. He had the catechetical manner you find among Scientologists or Trotskyists: people who know not only all the answers, but all the questions, too. If the wrong question came up, he simply steamed on and ignored it.

The view from inside the Shugden Supporters Community was almost a photographic negative of everything the outside world believes about Tibet and the Dalai Lama. The worship of Dorje Shugden, Lane said, could not possibly be taken as threatening. It was a harmless spiritual practice, comparable to the worship of St Francis in Christianity; and four million people followed the deity. A long and damning report on...
the NKT which had appeared in the Guardian could be explained because its author was a member of a rival Buddhist organization. The Dalai Lama, he said, was not a spiritual leader; not even a member of the Gelugpa tradition (the dominant Buddhist tradition in Tibet). In fact, the Dalai Lama was not really struggling for Tibetan freedom at all, and his actions against Shugden were motivated by political desires. It was as if Lane were asserting that Nelson Mandela was a secret agent of apartheid with no moral stature at all.

It was a powerful indictment, flawed only by the fact that almost everything I was told in the Lister house was untrue. The figure of four million worshippers of Shugden was preposterous. There are only about six million Tibetans in the world at most, of whom less than half are members of the Gelugpa order (Steven Lane estimated 30 per cent), where the veneration of Shugden is concentrated. Even among the Gelugpa, only monks can be initiated into the cult of Shugden, and only a minority of those actually are. Most of the experts I talked to thought that about 100,000 people at most could be affected by the Dalai Lama's ban.

The Dalai Lama is venerated as a spiritual as well as a political leader by all Tibetans, especially those in the Gelugpa order, to which he belongs. Only within the NKT centres are his photographs not displayed: in fact they are banned, as is all mention of his name. As for not struggling for Tibetan freedom he was awarded a Nobel Peace Prize for his efforts, and caused a major diplomatic ruction between Germany and China earlier this summer after the German parliament passed a resolution in his honour.

Shugden himself is not necessarily the compassionate figure portrayed by the NKT. In one rite, reprinted in a Western study, his followers are asked to consider him "living in a palace in a lake of boiling blood, wearing a necklace of skulls and human body parts, in a terrible stench of human flesh". Not quite the home life of St Francis of Assisi. Such shamanistic beings do have a role in Tibetan Buddhism: they are considered by most students to represent marginal aspects of Tibetan culture, holdovers from shamanism rather than central to the Buddhist message.

To be initiated into the cult of Shugden involves a contractual relationship with this terrifying deity: the initiate promises to meditate on him and pray to him every day for the rest of his life. One can see why Tibetans could be reluctant to offend Shugden; and in the Dalai Lama's speeches to Tibetans against the practice, he has suggested prayers to protect them from the spirit's vengeance. But why should English Buddhists in the West Yorkshire be getting so worked up?

Let us start with allegiance of the people involved. Ron Lister and his wife claimed not to be members of the NKT, but merely "concerned Buddhists". However, when I went to use the telephone in the hall, I noticed that the first number on their speed dial was for "Geshe-la", as the devotees of Geshe Kelsang Gyatso call their guru; later I discovered that Ron and Ruth Lister had edited the first of Geshe Kelsang Gyatso's books to be published in English, and Geshe Kelsang himself told me
that he had accompanied Ron Lister on his "fact-finding" tour round India to find evidence of the Dalai Lama's alleged persecutions.

The more one digs into this story, the more everything comes back to the NKT, a sect founded by Geshe Kelsang Gyatso in the late 1970s after he gained control of the Buddhist centre at Coniston Priory in Cumbria from a rival Buddhist organization. Since then, the NKT has been enormously successful. Unlike most Buddhist organizations, it actively makes converts and solicits donations. Steven Lane — an NKT member for eight years — said: "I have met Geshe Kelsang Gyatso on numerous occasions. He never orders. Sometimes, he suggests. Sometimes, he helps you to see different options.

This is a curious perspective. All the other evidence suggests an attitude of slavish devotion on the part of his followers. The foreword to one of his recent books says: "From the depths of our hearts we thank the author for his inconceivable kindness in composing the book. Throughout the preparation of this book, Geshe Kelsang Gyatso has demonstrated compassion, wisdom, and inexhaustible patience ... there can be no greater proof of the immense value of the Boddhisatva's way of life than the living example of such a realized Master.

Within the NKT, Geshe Kelsang Gyatso is regarded as the "third Buddha", who will bring Buddhism to the Western world. When I asked the guru himself about this, he replied: "Some people believe I am the third Buddha, but this is people's choice. From me, never. I have never pretended I am special."

The chance to meet him came unexpectedly. The day after I had returned from Hebden Bridge, two saffron-clad, shaven-headed NKT monks appeared in the reception of the Independent, accompanying a rather confused Tibetan devotee of Dorje Shugden. This party had made its way round several broadsheet newspapers to offer interviews with Geshe Kelsang.

I found him in the attic bedroom of a house in Golders Green. It was painted entirely white, except for a sort of shrine behind him. Two English NKT members sat on each side of me, ready to interpret, for the guru's English is poor and his pronunciation difficult to understand.

Much of what he said to me was already entirely familiar: the claim of four million supporters; the idea that the Dalai Lama was planning to return to China as a Communist puppet ruler; the preposterous assertion, made with great force, that the Guardian's religious affairs correspondent (a devout Catholic) was "working for" a rival Buddhist organization.

I asked him something that puzzles me about this story: what business was it of his what the Dalai Lama does in his own monasteries? The NKT claims to have nothing to do with the Dalai Lama. It certainly doesn't recognise his authority over its centres. Yet if the two streams of Buddhism are so separate, why does the NKT care about what the Dalai Lama does?
His reply was illuminating in its passion, if not in its logic. There was a sense sacrilege when he described the Dalai Lama's actions which made many things clear. "The practice of Dorje Shugden came from generation to generation," he said. "There is so much joy in the daily practice; and the Dalai Lama suddenly says this is bad, this is harmful. The Dalai Lama is not an ordinary being, and when he said this, everybody shocked. They experienced mental pain."

Here he pressed one fist against his heart, in a gesture to ensure I understood what he meant by mental pain.

"If Dalai Lama right, then up to now, this practice we have done for 20 years, everything wasted: time lost, money lost, everything lost. That is the big issue."

And maybe it is. Within traditional Tibetan politics, these ideological disputes always have a political pay-off. Gods such as Shugden, or Nechung, the traditional protector deity of all Tibet, make their wishes known through trance-oracles, on which all the major decisions of the state are based. In the confused and troubled times of the 1940s, before the Chinese invasion, the cult of Shugden was linked to narrow Gelugpa factionalism, and to a policy that exalted the interests of Central Tibet over the east. In arguing against the cult, and trying to suppress it within his monasteries, the Dalai Lama is not just making a theological point, but a political one: that the Tibetan state he wants would not favour one form of Buddhism over another.

But the dispute over Dorje Shugden makes no sense in terms of practical politics in the West. It has already directed a great deal of media attention on the NKT and its elastic ways with truth. Some of the mud being flung at the Dalai Lama will probably stick. The reputation of Tibetan Buddhism as a uniquely clean and rational religion will certainly be damaged. The only lasting winners from the row will be the Chinese, who have mounted a fresh campaign of repression inside Tibet this spring. And Dorje Shugden himself, aching for worshippers inside his lake of boiling blood.