

The story begins with the narrator describing the night sky as observed over long sleepless nights from his window, in particular that of the Pole Star, Polaris, which he describes as "winking hideously like an insane watching eye which strives to convey some strange message, yet recalls nothing save that it once had a message to convey".

He then describes the night of the aurora over his house in the swamp, and how on this night he first dreamed of a city of marble lying on a plateau between two peaks, with Polaris above in the night sky. The narrator describes after a while observing motion within the houses and seeing men beginning to populate the streets, conversing to each other in language that he had never heard before but still, strangely, understood. However, before he could learn any more of this city, he awoke.

Many times, he would again dream of the city and the men who dwelt within. After a while, the narrator becomes tired of merely existing as an incorporeal observer and desires to establish his place within the city, simultaneously beginning to question his conceptualization of what constituted reality and thus whether this was just a dream or whether it was real.

Then, one night, while listening to discourses of those who populate the city, the narrator obtains a physical form: not as a stranger, but as an inhabitant of the city, which he now knew as Olathoë, lying on the plateau of Sarkis in the land of Lomar, which was besieged by an enemy known as the Inutos.

While the other men within the city engage in combat with Inutos, the narrator is sent to a watchtower to signal if the Inutos gain access to the city itself. Within the tower, he notices Polaris in the sky and senses it as a malign presence, hearing a rhyme which appears to be spoken by the star:

Uncertain as to its meaning, he drifts off to sleep, thus failing in his duty to guard Olathoë. Upon awakening, the narrator finds himself back in his house by the swamp, but the narrator is now convinced that this life isn't real but a dream from which he can never awaken.