This book contains a detailed account of the various types of Icelandic folk-story, their likely origins and sources, the folk-beliefs they represent, and their meanings.

In Iceland, people do not compose verse just to comfort themselves; they worship poetry and believe in it. In poetry is a power which rules men's lives and health, governs wind and sea. Icelanders have faith in hymns and sacred poems too, because of their content. They also have faith in secular poetry composed by themselves, believing it to be no less able to move mountains than religious faith is. By this belief in their own culture, they transfer it into the realm of mythology, and the glow of the super-human is shed over it.

Whatever may have been their origin, the folk-stories of Iceland come to mirror the people's life and character, and in the period when the idea gained ground that all power comes from the people, their poetry and lore became sacred things that were revered and looked to as a potential source of strength. Icelandic folk-stories were similarly an important element in the Icelanders' struggle for national and cultural integrity in the nineteenth century. They were more truly Icelandic than anything else worthy of the name.