

Compute Is the Soil

By GANDALFO

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In Box Elder County, Utah, someone has applied to take water off farmland and send it to a data center.¹ The campus would come with its own 7.5-gigawatt gas-fired power plant. In May the county commission voted 3-0 to hand the project to a state authority.²

That's the cloud. Go look for it and you find water, farmland and a gas plant.

In 2008 a coworker introduced me to Henry George. That coworker became one of my closest friends, and Henry George became an obsession I never shook.

In 1879 George published *Progress and Poverty* and asked a question that still bothers me: **Why does poverty advance alongside progress?** We build railroads, cities, factories. Wealth explodes. The people doing the work still don't get ahead.

George's answer: land

By land, George meant location and everything else nobody made.

When a town grows, the ground under it gains value. The owner didn't cause that. The town did, with the new road and the neighbors. The owner collects it anyway, as rent, for showing up early.

George's fix is simple: tax land, not work and buildings. Making things should pay. Sitting on what nobody made shouldn't.

The freer the markets and the land, the freer the people. I believed that the first time I heard it, and I still do.

The objection

The pushback I get most is that George was right about a world that's gone.

“Land mattered when the economy was farms and railroads. Today the economy is software. Software doesn't need land. Nobody's getting rich off acreage. They're getting rich off code.”

The small answer: land never left. Strip out the buildings, and the land of the lower 48 states was estimated at roughly \$23 trillion in 2009, according to a Bureau of Economic Analysis working paper.³

What an engineer sees

The big answer comes from my work. I write software for a living, and sooner or later every engineer hits the same wall. You can be the smartest person in the room and still be waiting in line for someone else's GPUs.



The Summit supercomputer at Oak Ridge National Laboratory, Tennessee, 2018.
Photo: Oak Ridge National Laboratory. CC BY 2.0.

To build anything serious now, we need compute. Two ways to get it: build our own or rent someone else's. Building takes chips, buildings, power contracts, cooling, a grid connection and a lot of capital. That rules it out for almost everyone.

So we rent, by the hour and by the token. We build on ground we don't own, under terms we don't set. The price tends to rise right when what we built starts to matter.

The new land

That's when it clicked. I thought I was looking at a new economy. It's late-stage Monopoly with GPUs for hotels.

Compute is the new land. I don't mean that as a metaphor. I mean the structure is the same, and George's questions fit it:

- Who owns the scarce input?
- Who captures the value when demand rises?
- Who pays, and do they have a choice?

When everyone else's work makes AI more valuable, the ground it runs on becomes more valuable too. The owners didn't create that value. We did, every developer and every user. They collect it as rent.

I'm a tenant too. Whenever I ship something, whoever owns the soil gets paid first. They don't even read the release notes.

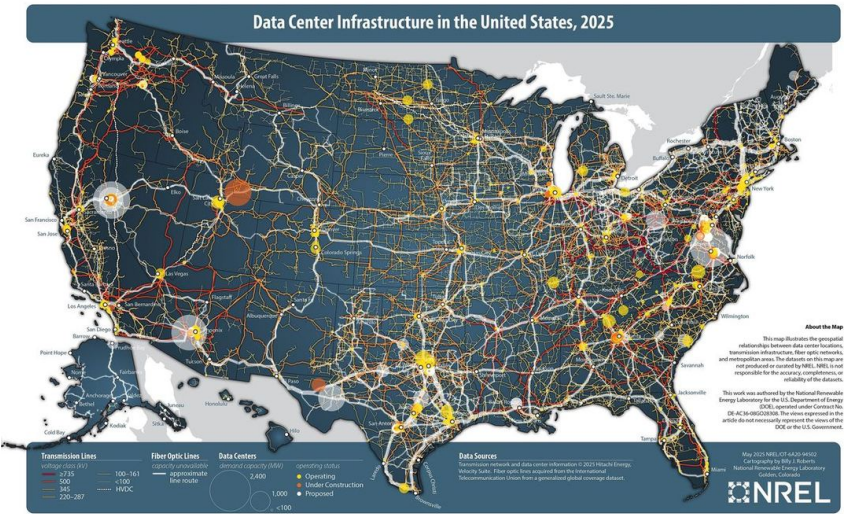
The cloud is made of land

Then there's the name. We call it "the cloud," as if it floated somewhere overhead and weighed nothing. It sits on land, and it runs on electricity and water. Follow any chatbot down far enough and you hit a power line.

The name is doing real work. [Mason Gaffney](#) argued that a century ago, John Bates Clark and his colleagues folded land into "capital," and land quietly dropped out of economics. "The cloud" does the same thing for compute. Now you see the land, now you don't. Orwell would know the move: give a thing the name of its opposite, and people stop looking at it.

The International Energy Agency estimates that data centers used about 415 terawatt-hours of electricity in 2024 and projects around 945 TWh by 2030. It also notes that nearly half of US data center capacity sits in five regional clusters.⁴

That isn't a cloud. It's land, water and power, and George already asked who should collect their rent.





Interstate 84 in Box Elder County, Utah, looking toward Hansel Valley and the Hansel Mountains, March 2019. Photo: Chris Light. [CC BY-SA 4.0](#).

Water that has gone to farming would go to feeding machines. That's in a water-rights application, not a banner.

The commissioners said state law left them little room to say no.⁶ The land was unzoned, and a state body, the Military Installation Development Authority, took over its planning.⁷ At the vote, they took no public comment.⁸ A draft agreement would rebate most of the data center's property taxes for up to 30 years.⁹ In June, voters turned out two of the three commissioners in their primaries,¹⁰ along with the Senate President who chairs that state body.¹¹

You don't need a bribe to explain any of this. The game is the game.

So no, land didn't stop mattering. It got a new tenant. In Utah you can drive out and see it.

The stories we tell ourselves

"Open source fixed it." Open weights are a real gift, and open source is the commons. But **a commons you can't run is a museum.** The weights are free, but the soil they run on isn't.

“That’s how the market works.” It is, and that’s the point. George wasn’t against markets. He was against confusing the return on work with the return on owning what nobody made. The first is a market. The second is a toll booth.

George was for free trade and free enterprise, and he opposed one thing: getting paid for owning what nobody made.

So what follows?

The compute barons aren’t villains. They’re doing what landlords have always done, and they’re good at it. They own the scarce ground, rent it to everyone who builds and keep the rise in value.

Monopoly says it better than I can. Its ancestor was *The Landlord’s Game*, patented in 1904 by Lizzie Magie, a single taxpayer, to show how the landlord gets his money and keeps it.¹² Nobody at that table is a villain either. Everyone follows the rules, and the rules hand the board to whoever owns the land. Life is like a rigged Monopoly game, and compute is the new board. I wrote up [the whole story here](#).

Blame the game, not the players.

The question is whether we want the most important resource of this century to follow the oldest rule of the last one: **whoever owns the soil owns the harvest**.

Seizing anything isn’t the answer. George wanted the community to collect the value the community created, and to leave alone everything people built.

Applied to compute, that leaves three questions:

- What is the “land value” of compute, the part nobody built? My list starts with grid connections, power allocations, water rights and sites next to cheap energy.
- When the public grants those, why does the public see so little of the rent?
- What does a shared grid look like, one that keeps the commons runnable and not only downloadable?

I’ll argue each one here, with receipts. I’ll be wrong about some, and I’ll say so.

The last question

Fair rules could **make building pay again**. The people doing the work would keep more of what they make, and the people who own the ground would collect a little less for having shown up early.

George asked why poverty advances with progress. It wouldn't surprise me if we ran that experiment again, on a much bigger field.

When the machines get smarter, who gets richer: the people who build on the soil, or the people who own it?

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NOTES

1. Garna Mejia, "Stratos Project water application reveals new details on massive data center," KSL.com, posted 16 Oct 2026, updated 17 Oct 2026. <https://www.ksl.com/article/51637099/stratos-project-water-application-reveals-new-details-on-massive-data-center> ↑
2. Spencer Wilkinson, "Box Elder County approved the largest data center in the country. Now what?", Utah Public Radio, 6 May 2026. The vote was unanimous, and the Salt Lake Tribune timeline records it as 3-0: <https://www.sltrib.com/news/2026/05/19/kevin-oleary-data-center-timeline/>. <https://www.upr.org/politics/2026-05-06/box-elder-data-center> ↑
3. William Larson, "New Estimates of Value of Land of the United States," BEA Working Paper, April 2015. The estimate is about \$23 trillion (2009, current prices) for the contiguous U.S. plus D.C. <https://www.bea.gov/research/papers/2015/new-estimates-value-land-united-states> ↑
4. International Energy Agency, *Energy and AI* (2025), Executive summary: ~415 TWh and ~1.5% of global electricity in 2024; ~945 TWh by 2030 (Base Case); nearly half of US capacity in five regional clusters. <https://www.iea.org/reports/energy-and-ai/executive-summary> ↑
5. "Kevin O'Leary says he'll shrink the Box Elder data center by 20,000 acres," KUER, 4 Jun 2026. As approved, the project area was 40,000 acres; O'Leary's June 4 letter agreed to remove about 20,000. <https://www.kuer.org/business-economy/2026-06-04/kevin-oleary-shrinks-project-stratos-bo> ↑
6. Box Elder County, "Stratos Project Referendum FAQs": the county says it is "bound by state law" and that MIDA "has the primary land-use authori-

- ty granted by the State Legislature.” Commissioner Boyd Bingham also wrote that a no vote “would have brought lawsuits that our county would lose” (Brock Marchant, Salt Lake Tribune, 23 Jun 2026, <https://www.sltrib.com/news/2026/06/23/box-elder-county-commission/>). <https://www.boxeldercountyut.gov/669/Stratos-Project-Referendum-FAQs> ↑
7. Box Elder County press release, “Box Elder County Authorizes MIDA to Initiate Stratos Project,” 4 May 2026: a data center “to be built in an unzoned area of western Box Elder County.” The Tribune reports that the project area lets MIDA “override county zoning and land use regulations” (Brock Marchant, Salt Lake Tribune, 23 Jun 2026, <https://www.sltrib.com/news/2026/06/23/box-elder-county-commission/>). <https://www.boxeldercountyut.gov/m/newsflash/Home/Detail/82> ↑
8. Jonathan May and Natalie Wadas, “Box Elder County commissioners vote in favor of massive data center project,” KUTV, 4 May 2026: “After they announced there would be no public comment, the crowd began booing and yelling ‘shame.’” <https://kutv.com/news/local/hundreds-of-box-elder-county-residents-gather-for-vote-on-massive-data-center-project> ↑
9. Ellen Thomas, “Kevin O’Leary says his huge data center will create 10,000 construction jobs. We looked at the numbers.”, Business Insider, 13 May 2026: a draft agreement dated April 24 gives the data center “a 100% personal property tax rebate and an 80% real property tax rebate, for up to 30 years.” <https://www.businessinsider.com/kevin-oleary-utah-data-center-jobs-2026-5> ↑
10. Brock Marchant, “Data center fallout: Box Elder County commissioners lose in primary,” Salt Lake Tribune, 23 Jun 2026. Commissioners Lee Perry and Boyd Bingham both lost their Republican primaries; the third commissioner, Tyler Vincent, was not on the ballot. <https://www.sltrib.com/news/2026/06/23/box-elder-county-commission/> ↑
11. Robert Gehrke, “Utah Senate President J. Stuart Adams loses GOP primary to Stephanie Hollist,” Salt Lake Tribune, 23 Jun 2026. That Adams chairs MIDA: Sean P. Means, “Kevin O’Leary data center timeline,” Salt Lake Tribune, updated 29 Jul 2026, <https://www.sltrib.com/news/2026/05/19/kevin-oleary-data-center-timeline/>. <https://www.sltrib.com/news/politics/2026/06/23/utah-senate-president-j-stuart/> ↑
12. Lizzie J. Magie, “The Landlord’s Game,” *The Single Tax Review*, Autumn 1902: the Review calls her “a single taxpayer,” and she says her “original intention” was “to work out a demonstration of how the landlord gets his money and keeps it.” Her patent, U.S. 748,626, was granted on January 5, 1904, <https://patents.google.com/patent/US748626A/en>. The Ninth Circuit called the game “a precursor of monopoly” and noted that Parker Brothers

bought it: *Anti-Monopoly, Inc. v. General Mills Fun Group, Inc.*, 684 F.2d 1316 (9th Cir. 1982), <https://law.resource.org/pub/us/case/reporter/F2/684/684.F2d.1316.81-4281.html>. https://landlordsgame.info/articles/LLG_SingleTaxReview-1902.html ↑

PHOTO CREDITS

1. Summit supercomputer, Oak Ridge National Laboratory, 2018. Oak Ridge National Laboratory. [Wikimedia Commons](#). CC BY 2.0.
2. Map of data center infrastructure in the United States, NREL, May 2025. National Renewable Energy Laboratory for the U.S. Department of Energy (NREL, NREL/OT-6A20-94502). [Wikimedia Commons](#). Public domain. A map, not a photograph. NREL notes that the underlying datasets are not its own.
3. Hansel Valley from Interstate 84, Box Elder County, Utah, 2019. Chris Light. [Wikimedia Commons](#). CC BY-SA 4.0.

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This essay was first published at computeandpoverty.com/essays/compute-is-the-soil/ on November 1, 2026. That page is the canonical version.

The figures behind it are worked through at computeandpoverty.com/compute-rent/.

Henry George's *Progress and Poverty* (1879) is free to read at computeandpoverty.com, or to download in full.