

and Kentucky brings this percentage down considerably from what it would otherwise be. The area between the 400 and 800 mile circles may well be separated into the western and eastern halves. The dividing line is roughly the Mississippi-Alabama boundary line. The western half, no further from Chicago than that to the east, shows that one quarter of all its banking points have at least one Chicago correspondent. This region has a total of approximately 3,875 banking towns. The eastern half of this area between the 400 and 800 mile circles possesses 4,311 banking points of which only 3.2 per cent have direct Chicago bank connections. This is the region tributary to New York, and is the area in which its banks have the greatest influence.

Between the 800 and the 1,200 mile circles of Chicago, approximately one banking town in ten has a Chicago bank correspondent. There are roughly 1,650 banking points, and of this number about 950 are in Texas alone.

The region between 1,200 and 1,600 miles of Chicago contains states of sparse population and relatively few banking towns. Slightly more than 400 are found in this area; however, nearly 30 per cent of these banking points have direct Chicago connections. This appears to be contrary to the point made above that distance is a prime factor in the distribution of Chicago bank correspondents. However, it must be remembered that only a few towns with at least one Chicago bank correspondent would appear relatively large with so few banking towns as 422. In the five states included in this area there are only 125 towns with direct Chicago bank connections. Nevertheless, the influence of Chicago banks is rather distinct. For example, Idaho has three times the number of banking points with a Chicago correspondent that Kentucky has, but only one-third as many banking towns.

The Pacific states, California, Oregon, and Washington, again show a relatively high proportion of banking points with a Chicago correspondent—approximately 34 per cent. This figure is largely determined by the fact that of the 441 banking points in California nearly 43 per cent report that they have at least one Chicago correspondent.

If location were the only factor determining the distribution of Chicago bank correspondents, an invariable inverse relation would be expected between the percentage figures cited above and shown on Map 3, and the distance from Chicago. While distance probably is not the sole factor determining the relative density of banks throughout the country which choose Chicago correspondents, it is probably the most important factor.

It is interesting to note that in the 8 states beyond the 1,200 mile radius of Chicago, there are but 1,250 banking points. This is only 200 more than is contained in the single State of Illinois, and the number of banking points reporting a Chicago correspondent (406) is considerably less than one-half the number in Illinois.