



Committee for the Abolition of Illegitimate Debt

London Club

The members are the private banks that lend to Third World states and companies.

During the 70s, deposit banks had become the main source of credit for countries in difficulty. By the end of the decade, these countries were receiving over 50 per cent of total credit allocated, from all lenders combined. At the time of the debt crisis in 1982, the London Club had an interest in working with the IMF to manage the crisis.

The groups of deposit banks meet to co-ordinate debt rescheduling for borrower countries. Such groups are known as advisory commissions. The meetings, unlike those of the Paris Club that always meets in Paris, are held in New York, London, Paris, Frankfurt or elsewhere at the convenience of the country concerned and the banks. The advisory commissions, which started in the 80s, have always advised debtor countries immediately to adopt a policy of stabilisation and to ask for IMF support before applying for rescheduling or fresh loans from the deposit banks. Only on rare occasions do commissions pass a project without IMF approval, if the banks are convinced that the country's policies are adequate.

NEWSLETTER

[Subscribing to newsletter-en](#)

[Read the latest newsletter](#)

[Glossary](#)

[Privacy policy](#)

[Contact](#)

CADTM

COMMITTEE FOR
THE ABOLITION OF
ILLEGITIMATE DEBT

8 rue Jonfosse
4000 - Liège- Belgique

+324 56 62 56 35
info@cadtm.org



