

Eurozone debt crisis: Greek timeline

Greece's problems have been at the heart of the European debt crisis. We take a look at the country's turbulent history since joining the single currency over 10 years ago

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1 January 2001: Greece joins the euro

Greece joins the single currency two years after the eurozone was created. The Athens government claims the "historic" achievement will put Greece at the heart of Europe and guarantee stability and prosperity, since it has brought its finances into line with EU demands. But even then, critics question whether the euro project will suffer from the inclusion of another weaker member.

Wim Duisenberg, president of the European Central Bank at the time, warns that Greece must keep striving to improve its economy, with inflation at an unacceptably high 4%.

15 November 2004: Greece admits fudging euro entry

The first clear proof that all is not well in Greece comes when the government admits it has not actually met the qualifying standard to join the eurozone at all. Revised budget data shows that the Greek budget deficit has never been below 3% since 1999, as EU rules demand.

29 March 2005: Austerity measures

Having ousted Greece's socialist government a year earlier, the right-wing New Democracy party imposes an austerity budget to try to slash Greece's deficit and get the public finances back on track after the cost of hosting the 2004 Olympics. It includes higher taxes on alcohol and tobacco, and an increase in VAT from 18% to 19%.

Spring 2006: Bouncing back?

A year after the austerity budget, Greece's economy appears to be growing strongly again, with GDP up 4.1% in the first three months of 2006.

4 October 2009: George Papandreou becomes prime minister

Papandreou's Panhellenic Socialist Movement (Pasok) party wins power after New Democracy calls a snap general election, asking the Greek people for a new mandate to tackle the looming financial crisis. The economy has contracted by 0.3%, and the national debt has risen to €262bn, from €168bn in 2004. At this stage, the government expects the 2009 deficit to reach 6% of GDP.

30 November: Debt fears mount

Papandreou admits that the Greek economy is in "intensive care", as European finance ministers express concern about the size of the country's debt.

8 December: Credit rating downgraded

Fitch cuts Greece's long-term debt to BBB+, from A-. This is the first time in a decade that Greece does not have an A-rating, and the move sends shares falling across the world. Standard & Poor's soon follows suit.

3 March 2010: Greece unveils radical austerity package

Papandreou announces a tough austerity package, as Greece struggles to persuade the financial markets that it can cut its deficit and repay its debts.

23 April: Greece activates €45bn EU/IMF loans

Papandreou turns to the International Monetary Fund for help, after Greece is priced out of the international bond markets.

2 May: EU debt crisis – Greece granted €110bn aid to avert meltdown

European finance ministers agree a €110bn rescue package for Greece, designed to cover the country's borrowing requirements until 2013. In return, Greece pledges to bring its budget deficit into line, through unprecedented budget cuts.

Greece's prime minister George Papandreou addresses parliamentarians in Athens

29 September: Europe's day of action against cuts

Thousands of workers take to the streets in Greece, as part of co-ordinated action against the austerity measures being implemented across Europe. Strikes and protests also take place in Portugal, Ireland, Slovenia and Lithuania.

17 April 2011: Furious Greeks press for country to default on debt

Greek borrowing costs start rising sharply again, on fears that its austerity measures are failing to work. Greece is now deep in recession, and the number of people taking to the streets demanding a change of course keeps growing.

15 June: General strike prompts violent clashes in Athens

Papandreou's efforts to pass a four-year austerity programme to save €28bn hang in the balance, as police clash with protesters during a general strike. The depth of anger fuels fears that Greece will not keep qualifying for its original bailout.

19 June: Greece needs another €110bn bailout to avoid debt default, says Papandreou

Greece admits that it needs a second rescue package to fend off default. Germany drops its demand that private creditors must take a "haircut", but European leaders remain split over the best way forward.

21 June: EU leaders must act decisively or face disaster, says IMF

The IMF warns European leaders that they risk creating a second financial crisis unless they resolve the Greek situation rapidly, ahead of a crucial vote of confidence in Papandreou's administration.

22 June: George Papandreou survives confidence vote in parliament

Prime minister narrowly wins vote, by just 155 votes to 143, securing a vote of confidence in his reshuffled government.

"Good news for Greece and for the EU as a whole," said José Manuel Barroso, the president of the European commission.

28 June: 48-hour strike begins

Greek workers begin a two-day strike ahead of a key austerity vote.

29 June: Greek parliament approves five-year austerity plan

Parliamentarians approve austerity plan entailing a €28bn programme of new taxes and spending cuts. Protesters burn barricades, smash pavements and loot shops in response.

22 July: EU agrees €109bn bailout for Greece

EU leaders agree on €109bn bailout - which will see private sector lenders take haircuts of 20% - and extension to the European Financial Stability Facility (EFSF).

11 September: Greece announces property tax to plug budget gaps

Greek government announces a new property levy, which will apply at once as the country tries to secure the next tranche of bailout funding. Parliamentarians, it is announced, will also have their wages docked as part of austerity measures, from the president downwards.

22 September: George Osborne says there are just 'six weeks' left to save the euro

Speaking in Washington, the chancellor said that the turmoil in the world's financial markets meant there was now "a far greater sense of urgency" and mounting pressure on Europe from the G20 group of developed and developing nations.

5 October: General strike brings Greece to a standstill

The closure of the entire public sector - from schools to hospitals to government offices - left Athens airport looking like a ghost town and kept museums and archaeological sites shut.

13 October: Slovakia becomes last eurozone state to approve €440bn EFSF rescue plan

Slovakia is the 17th and final country to approve the expansion of the eurozone's rescue fund, two days after rejecting the plan. MPs in Bratislava ratify the extension to the EFSF to €440bn by a substantial majority.

19-20 October: Strike and violent protests in Greece, construction worker dies

Protests kick off in Greece as part of a 48-hour general strike. Greek march on the government's parliament building, while second-largest city Thessaloniki also comes to a standstill. Violence erupts as youths smash and loot shops in Athens. Demonstrators throw gasoline bombs at police, who retaliated with tear gas and stun grenades. On the second day, a 53-year-old construction worker called Dimitris Kotsaridis dies after being hit by a rock.

27 October: Banks agree 50% reduction on Greece's debt

Europe leaders agree new deals that slash Greek debt and increase the firepower of the main bailout fund to around €1 trillion. Athens will be handed a new €100bn bailout early in the new year. The accord was reached in the early hours of Thursday after hours of debate. At one stage talks broke down with holders of Greek debt but they ended up accepting a loss or "haircut" of 50% in converting their existing bonds into new loans.

28 October: Military parades stopped

Demonstrators stop commemorative parades taking place to mark the nation's entry into the second world war. In Thessaloniki, onlookers chanting "out with the IMF," "traitors leave" and "no more sacrifices," cause such a commotion that the ceremony had to be cancelled. Departing the podium in disgust, the country's octogenarian president, Carolos Papoulias, lambasts the protesters, saying "it is a historic day that belongs to Greeks, not them".

31 October: Referendum stuns world leaders

George Papandreou's bombshell decision to put Europe's latest efforts to rescue the Greek economy to a public vote prompts as much dismay at home as it does abroad, with many of his compatriots wondering if the embattled prime minister could survive the pressure of navigating the country's worst crisis in modern times

3 November: Referendum cancelled

George Papandreou abandons his plan to hold a referendum, amid scenes of open warfare in his own party. Finance minister Evangelos Venizelos forces the move in an early-morning speech, saying Greece's eurozone membership was too important to risk

G20 leaders meet in Cannes and for the first time, EU leaders admit that it might be necessary for Greece to leave the eurozone if the single currency is to survive

6 November: Papandreou resigns

Papandreou holds his last cabinet meeting as prime minister

11 November: Papademos takes control as PM

Technocratic economist assumes leadership of interim coalition government after weeks of political turmoil over debt crisis

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