



# INTRODUCTION

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At first glance, budget analysis seems to be a task suitable only for economic science experts. Budget figures, allocations and fiscal years tend to make up an intricate equation which government officials, advisors or academicians many times ignore, owing to the difficulties in understanding it. Is it helpful for those responsible for designing, executing or supervising a policy to become involved in such a complicated matter? What is the budget and why is it necessary to discuss it? What about adding the complexities of defense to it? What should we consider when we must deal with it?

The need to find practical answers to such questions was the starting point for the idea to develop a guide on the defense budget, as introduced here. Its aim is to provide basic theoretical and practical tools to deal with the defense budget, even if we have no experience in this area. It is also intended to put forward to the reader key aspects relating to the subject in a simple and practical way, offering tools to design an influence strategy according to his/her national background.

The guide layout was especially designed to respond to those objectives. The first part discusses the main conceptual ideas before we start to address the subject, beginning in Chapter I with a Latin America defense outlook, then touching upon the specifics of budget preparation work and finally discussing particular considerations applicable to the defense area. The second part of the guide provides the tools necessary to learn and understand what a budget entails and, more specifically, what the defense budget involves. Finally, with those foundations already laid, we present an influence strategy tailored to this sector, as a way of encouraging readers to develop their own thinking and initiatives according to their own country realities.

This work is the product of an initiative of the RESDAL (Latin American Security and

Defense Network), created in 2001 with the goal of helping institutionalize security and defense functions in the region, as well as strengthening civilian leadership capabilities. The first steps in budget work for the defense area started in 2002 when, from a seed grant from the National Endowment for Democracy, a methodology for defense budget transparency and quality started to be elaborated. Since then, the objective of discovering the budget "black box" has become the Network's main project.

Since the cooperation and exchange with other parties who share common interests are inherent characteristics of RESDAL, for the elaboration of this practical guide, under the coordination of SER en el 2000 we contacted organizations widely experienced in budget work in the region. This is how we tried to put together knowledge on defense and budget preparation work, which is one of the main virtues of this material. Under the overall supervision of Juan Rial from RESDAL and Helena Hofbauer from FUNDAR, the team set up to undertake this task included defense experts who are members of the Network (Carlos Wellington and Gustavo Sibilla), and organizational and budget experts (Virginia Lencina from Poder Ciudadano and Laura Malajovich from CIPPEC). The team's work started at a meeting held in March 2004, to exchange points of view and experiences in order to decide what this guide should contain. The guide preparation work was started from that point on, and each author focused on his/her own specialty area: Juan Rial wrote Chapter 1, Carlos Wellington, Chapter 2 and Chapter 3; Helena Hofbauer, Chapter 4; Laura Malajovich, Chapter 5; Gustavo Sibilla, Chapter 6; and Virginia Lencina, Chapter 7. The fact that each expert had primary responsibility over his/her specific area did not prevent constant exchange of views, remarks, inputs and criticism by the others, to produce a common project contained here in a final version reviewed together with Juan Rial and Helena Hofbauer.

This project was made possible by the support of OSIDEV and the active involvement of the Network, which contributed to the work of the writing team. The work for the elaboration of this guide showed us that bringing together different professional backgrounds can add unique perspectives to the discussion and can contribute to enhanced results. We hope this experience transpires in the pages that follow this introduction, so that it may serve to open a forum of discussion on a matter that is key to our region: namely, the defense budget and its relation to political aspects in a democratic environment.

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