

Law and order in Kenya: BABS Security Services Ltd ^[1]

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Zachary Caceres writes on private security provision in Kenya, where desperate circumstances have forced the private sector to provide what many assume to be the sole preserve of the state.

Excerpted from the forthcoming work: ?Business, Casual: The Spontaneous Order of the Kenyan Street Trade?

My first real encounter with the Kenyan police came late one night on a motorcycle. I rounded a corner in the darkness of Langa-Langa, a large neighborhood on the outskirts of the city of Nakuru, Kenya. I was sleepy and my dinner-host ? a young Kenyan named Dickson ? had stuffed me full of delicious local cuisine. The motorcycle's headlights illuminated a Soviet-era military truck with several heavily-armed men scattered around its edges. All of them peered with hostility from the shadows cast along its camouflage lining. I felt my stomach sink. They muttered something threatening in Swahili -- one thrust his assault rifle skyward and stepped out to block the road. I tapped the driver on the shoulder ?Twendeni! Let?s go!? I shouted over the engine. We accelerated past, the men in the truck yelling after us. "Who are they?" I asked. "The police," he said.

Many times the police are conspicuously absent with most of their resources devoted to protecting formal, well-established (and usually well-connected) firms and streets near City Hall or in a city?s central business district. But private security is everywhere in Kenya. A local bar and mzungu (Swahili for ?foreigner?) haunt proudly displays on its entrance: ?Protected by Robinson Security.? Two stoic guards in pressed blue uniforms frame the open gate of a supermarket in Nakuru. Before entering a night club, a friendly but stern door guard frisks those entering. Indeed, throughout Kenya?s cities and along the roads to and from the capital, cars emblazoned with security services roll past stalled motorcycles and traders hawking their wares to trucks ensnared in Nairobi?s impenetrable traffic.

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Barack Ouma is tall, unassuming, even a bit camera-shy. He is from the same village as the father of the American president sharing his first name; when asked about it, he responds in a clear baritone, ?It is a good, Christian name.? He works for BABS Security Services Limited (pronounced like the bunny), a large Kenyan security firm with nearly 10 years of service. All of their offices ? the brochure lists 12 branches spread throughout Kenya ? operate 24 hours a day, 7 days a week.

It?s not hard to see why: BABS is a security juggernaut. BABS? philosophy is clear: the name is an

acronym for the straight-forward guarantee, 'Be Assured of Best Services'. They hire, screen, train and equip security guards for commercial and residential clients. They have a fleet of vehicles, which can be hired for patrols anytime, day and night. For those so inclined, they have a full service facility to breed, train, and sell guard dogs to protect homes or businesses. BABS employs people of all security backgrounds: Ouma himself has years of experience in a field he terms simply 'VIP Protection'.

Security in Kenya is a paramount concern. Many people distrust government police, especially street traders whose regular encounter with the law is often as the victim of extortion or beating. With few opportunities for regular, formal employment, some young men turn to crime like home-invasions or carjacking. Businesses like resorts or clubs with reputations to protect or wealthy homes (often owned by foreigners) support a massive industry in private security. For all its size, BABS is only one of many competing firms.

Strolling through Nakuru, one is immediately struck by the macabre method used by the average resident to protect neighborhoods and compounds from unwelcome guests: courtyard walls are lined with glass shards, wedged down creases in the stone. 'A man's house is his castle,' the saying goes, and BABS offers much more than recycled defenses: CCTV, alarms, electric, razor, and (my personal favorite) electric-razor wire fencing. Outside my own house, pieces from bottles of Tusker 'Kenya's premier beer' jut out overhead.

Hiring BABS is simple, Ouma explains. Just like a travel agent or a cable TV provider 'their brochure is even titled 'Our Menu' ' you need only call or schedule an appointment. BABS will arrive on your property, make an assessment of the neighborhood and the risks a customer faces, and suggest one of their many packages. Fees are charged monthly: packages usually have a set number of 'activations' included in the subscription ' additional activations require a per-response fee. A standard residential subscription includes alarm services as well as the speedy arrival of BABS guards and vehicles in the event of an emergency.

But, as Ouma points out, BABS has wider ambitions. The subscription packages are named Swahili words for 'countryman' or 'friend', with each ascending tier signaling a deeper relationship to the firm. One elaborate subscription includes escort services (guards, not girls), regular patrols, and road-side rescue ' even across international boundaries. Using the growing drive to integrate East Africa politically and economically, BABS is able to rescue and escort its clients throughout the region. Ouma claims they'll soon be opening offices far beyond Kenya.

For BABS, security means much more than guards and cameras. Kenya's dysfunctional State has failed to provide many services traditionally considered the purview of 'public' authorities. BABS runs a growing courier service, delivering domestic and international mail. I ask Ouma what a person could have delivered. 'Anything,' he retorts nonchalantly.

BABS also consults for companies to protect themselves against industrial espionage and even helps industry comply with safety and health regulations. BABS has a staff of private investigators and can even be hired to do forensics: physical and digital.

More surprising still, they supply and maintain all the equipment and staff necessary to operate a full-service firefighting outfit. Contracts are typically annual and tied to individual properties ' not neighborhoods or cities. BABS will work with your insurance company to lower premiums if you take out a contract with their fire service, since some municipal services are unreliable or just nonexistent.

I was struck by the novelty of these security services in Kisumu, a city in western Kenya. I arrived outside my hotel on a dusty street along Lake Victoria and had a noisy disagreement with the men that dropped

my companions and me along the curb. Out from the hotel, a lean Kenyan man carrying a billy-club appeared. He was easily six and a half feet tall, standing stoically like a sentry until we said our farewells. His presence immediately defused the situation and he escorted us inside, bidding us a goodnight. I handed him a 50 shilling note and he smiled: his uniform read "KK Security."

Walking home several days later down a deserted, moonlit street, I wondered about the safety of my choice. A local Street Trader had counseled to be aware of "street boys": bands of orphans aged about 13-30 that sometimes mug and harass travelers. The street was in eerie silence, except for the distinct sound of snoring nearby. Local businesses had hired security guards to sit outside their stores. In fact, so many had been hired that the dusty street was literally lined with guards on both sides, each resting in a plastic chair and most nodding off. Like an elaborate machine, I would pass through the field of vision of each sleeping guard and he would awaken, give me a look over, and then return to sleep. Occasionally one would wave or whisper a greeting, amused by the foreigners wandering the desolate night. The police were nowhere to be found. It was private security, at the hands of these small business owners, who secured this public street.

BABS and these late-night streetwatchers raise some interesting questions for those studying economies. In a strict sense, the street-side guards should not exist. The road is public, and I pay them nothing for sitting in their chairs scaring off criminals and making the path safe for reckless visitors like me. They provide what's called in economics jargon an "externality". It's a clunky term for a simple idea: an externality is value "external" to the ones creating it "enjoyed, uncompensated, by third-parties. A positive externality is seeing a beautiful girl from my taxi window, or passing by my neighbor's flower garden. A negative externality is dumping your litter in the local stream, or loudly listening to bad pop music at 3 AM. At no point do I hunt down the gardener or girl to compensate them. Indeed, if I tried in the case of the girl, I'd probably be arrested. For once, I "get something for nothing". My late night stroll is an image of the limitations of standard ideas of efficiency and economic theory: things get complicated when they're brought into the messy, uncertain realm known as reality.

Clearly, keeping the streets safe is a positive externality. A profit maximizing business hires a guard to secure itself, but by sitting along the street some of the "guarding" they produce spills over to benefit passerbys like me. In most strict economic models, externalities break down social cooperation since each person has an incentive to piggyback on the efforts of others and shirk contributing themselves. But nevertheless, there the guards sit: a quiet, snoring counterargument to the clear logic of economics.

Another well-known argument from economics is that private security is a "natural monopoly"¹. In other words, when a firm like BABS goes out on patrol, they scare away criminals along a whole block of houses who are casing up the neighborhood for an easy burglary. They're scared off by the passing BABS-wagon whether everyone subscribes to their service, or just one person does at the end of the street. Therefore, so the argument goes, everyone on the street (or neighborhood, or city) will use the same security provider and BABS becomes a de facto monopolist.

The logic is compelling, but there's one problem: all over Kenya, businesses on the same street use different firms. Indeed, even next-door neighbors in residential areas have signs on their walls or front gates advertising their subscription to competing security firms. In affluent neighborhoods where homeowners employ a full-time guard at their gates, the employees of different firms literally stand next to one another or across the street, eyeballing each other from their posts or sharing morning salutations.

This arrangement, seen as utterly bizarre and even impossible by standard economics, is all taken for granted as a feature of daily life in Kenya. The average resident or tourist, unburdened by the "chalkboard logic" of economics, patronizes businesses or resorts or clubs or homes protected by competing security

firms every day. Economists take heed.

[1] *For the technically inclined, the natural monopoly argument referred to here is usually considered a product of ?network externalities? or ?economies of scale?. See ?Law as a Public Good: The Economics of Anarchy? by Tyler Cowen in [Anarchy and the Law: The Political Economy of Choice](#)^[3], ed. Edward P Stringham (2006).*

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