

"Ethel, you did this!" Joe barks into the phone, his voice booming through the divider between our desks. Joe is trying to collect a credit-card bill, but Ethel is unaware of the card's existence -- or claims to be. "Stop making excuses!" Joe tells her.

It's my first week on the job as a debt collector, and already I'm learning a lot. Or rather, unlearning a lot. Everything I know about consumer finance is wrong here. In this upside-down world, unpaid bills are a boon, not a curse. The bigger, the better. If we collect, the agency gets a bounty of 10% to 50% from the creditor, and it gives us a cut. Top collectors are handed bonuses of \$10,000 or more at a monthly assembly, while envious co-workers clap and cheer. In this world, identity theft isn't an epidemic, it's an excuse used by weaseling debtors -- like job loss, illness or even the death of a spouse. In the notes we make after each call, these excuses are summed up with the code HLS -- hard-luck story. Joe tells Ethel that he's looking at her credit report and it doesn't support her innocence. "This card was paid every month for two years," he says. "Identity thieves don't do that!" Maybe he's right and she's trying to skip a legitimate bill. Or maybe he's making it up.

The collection industry gets the most complaints of any industry regulated by the U.S. Federal Trade Commission -- more than 300,000 in the past five years.

The trade association, ACA International, blames the griping on consumers' increasing debt burden. But inside the large, well-established agency where I work, that's not the whole story. Motivated strictly by cash, collectors manipulate, shame and threaten people into paying, without caring whether the bill is legitimate.

"Get the money!" our team leader exhorts us in a brief morning huddle. Then we hit the phones, making 150 to 200 calls a day. Most are answered by machines or by people who say we've got a wrong number. Debtors are cagey about picking up, so we're taught to mask the purpose of the call as long as possible. We ask for them casually by first name, like an acquaintance. Outright deception is forbidden, but sometimes my co-workers pose as paralegals or even as "fraud investigators," to imply that criminal charges are looming. Once a debtor is on the line, we demand that they pay the overdue balance immediately. But the balance is like the sticker price on a car -- a starting point for negotiation. On some accounts, I may offer a settlement that wipes out half the bill. This helps to placate debtors. They're usually sputtering mad because their actual purchases are a pittance compared with the interest, late fees and over-limit fees they now owe.

If a debtor opts to settle, I am trained to take their application. In a bored voice I ask for their cell-phone number, their spouse's work phone and so on, as if I'm filling out a form. There's no application; we get the phone numbers to hound them if their payment falls through.

To help debtors raise money, we are trained to give them financial advice that would make their accountant blanch, if they had one. We suggest that they take money out of their IRA, drain their home equity with a second mortgage, load up a different credit card or even skip a mortgage payment. If a debtor still won't pay, we play a version of good cop/bad cop. Two collectors will team up on one call, with one posing as a hard-hearted manager. The other listens patiently and pretends to be sympathetic. The idea is to make the debtor want to please the sympathetic collector, who closes the deal. Even people like Ethel, who claim to be fraud victims, can be squeezed for cash. We say it was probably their child or someone else in their household who abused the card, and if they don't call the police, we will.

Joe loses his battle of wills with Ethel for today when she simply hangs up. Calling her back immediately would violate rules against harassment. I go around the divider to commiserate, and to see whether Ethel's credit report really

implicated her. But Joe has already deleted it from his screen and pulled up another account, preparing to make his next call.

Our group manager has also been listening. "You blew it," he tells Joe loudly, so the rest of the group can hear. "You should've got her to pay."