

SHALALA: He just assumed, because he didn't know a lot about municipal finance, that we could go into the market with bonds that were backed by the full faith and credit of the state, that had first dibs on New York City government money, that were at 8% or 9%, and that the market would just absorb those bonds.

ROMER: And how did that turn out?

SHALALA: It was much more difficult. No one believed in the credibility of New York City government.

FOUNTAIN: Donna and Felix and everyone else on the board worked hard to get people to believe the MAC bonds were credible, to get people to buy all this new debt.

SHALALA: We had to peddle the bonds, the MAC bonds, all over the country. And so we all got on airplanes.

ROMER: You, personally? You were like flying around the country helping to sell these?

SHALALA: With David Rockefeller.

ROMER: As in one of "the" Rockefellers. At the time David Rockefeller was the head of Chase Manhattan Bank.

SHALALA: We landed in Dallas-- private plane-- went to the Dallas Athletic Club to meet with the bankers-- the great Texas bankers. And when we pulled up, one of his staff members came and said, Donna can't go in the front door because they don't allow women in the front door.

FOUNTAIN: Wow.

SHALALA: And he said, so we'll take her around, and she can go in the back door to meet with you. And David Rockefeller turned to me and he said, Donna, he said, I've never gone in a back door in my life. And he said, follow me. And he walked me right through the front door of the Dallas Athletic Club.

ROMER: Were you able to convince any Dallas bankers to purchase MAC?

SHALALA: No, and someone stood up and said, why should we invest in a place in which the mayor doesn't know how many employees he has? David Rockefeller couldn't answer that question, so I don't think we sold many bonds that day.