Courtship, Sex and Money: the economics of courtesan houses in nineteenth- and twentieth-century Shanghai

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ABSTRACT This article offers a study of the economics of the houses of courtesans in nineteenth- and twentieth-century Shanghai. This approach not only highlights the complex financial arrangements to be found in these establishments, but also sheds some light on the nature of the relationship between the women and their customers. The houses of courtesans played a central role in the social life of the members of the male urban élites. While they drew the largest part of their income from non-sexual activities (gambling, dinners), they were also organised in such a way as to avoid an explicit link between money and sexuality in the courtesan/customer relationship.

From the mid-nineteenth century to 1949, Shanghai underwent a tremendous economic and social transformation. Along with the development and evolution of traditional and modern forms of entertainment and leisure, prostitution grew both in size and variety. From a few thousand prostitutes in the mid-1860s, the ranks of prostitutes swelled to well over 50,000 in the 1940s. Although these figures are mere indicators, they give an idea of the extent of this phenomenon. In Shanghai, prostitution generated a relatively complex economic system characterised by very subtle modes of circulation of money. The most sophisticated arrangement was to be found in the houses of courtesans due to the diversity of their services and personnel. In the other more ordinary establishments, a plain sex-for-money relationship was the rule.

Over the century, the economy of sex tended toward a greater simplification following the disappearing of certain categories of personnel and services, but also as a result of the growing commercialisation of this milieu, especially the community of courtesans, and the crude domination of
money. There is no doubt that money has always been at the heart of ‘commercial sex’, but the material dimension was skilfully concealed by an elaborate system of circulation of money. Whereas a specific and limited group – the courtesans – dominated the world of prostitution up to World War I, growing commercialisation brought an increasing homogenisation of the various groups of ‘venal women’. In spite of their decline and transformation into high-class call girls, the courtesans remained at the heart of the system of prostitution in the city. After World War I, however, money became the sole motive of the courtesans’ relationship with their patrons.[1]

The houses of courtesans should not be seen just as sexual outlets, even if that function came to dominate all the others in the twentieth century. Actually, these establishments played a crucial role as the focal point of distraction and sociability in the well-structured space of leisure of the Chinese male élites. The patronising of courtesans was a central element of their lifestyle and social status.[2] Throughout their history, the Shanghai houses of courtesans did not draw the major part of their revenue from prostitution. It probably represented a minor share of the resources of these establishments. Gambling, banquets, and secondarily, outside invitations and songs requested by customers, allowed the houses to collect much more money than they would through prostitution. To be complete, one should also include the various expenses related to sexuality, such as the sometimes generous gifts the courtesans received as a reward for their services. Nevertheless, this would not basically alter our global assessment on the minor role of sex as a source of revenue.

This article will focus on the organisation and economics of the houses of courtesans. The previous works that have dealt with this issue relied on literary sources which could at best serve to illustrate how these establishments worked, but in no case could be used to analyse and reconstruct their economic logic.[3] The first part will be devoted to an examination of the management costs of the houses of courtesans. It will be followed by an analysis of the resources of these establishments and their patterns of distribution. Lastly, it will study the specific case of the numerous categories of personnel that were associated to the activities of the courtesans. It will be argued that the houses of courtesans were organised in a way to ensure a flexible flow of money and to minimise direct monetary exchange between the women and their patrons.

Running a House of Courtesans

The world of courtesans was dominated by women. This blunt statement about an exception in Chinese society needs to be qualified.[4] The basic unit of this milieu was the pair formed by a madam and a courtesan (called
changa in Shanghai), which usually included other members such as other courtesans (rarely more than three), female and male servants.[5] Most of the time, it is impossible to distinguish between the madam and her courtesan(s) since the sources usually refer to the courtesan while the term actually covers the whole unit. Madams can certainly be seen as small entrepreneurs, although the life expectancy of such enterprises seems overall to have been fairly short. The evidence collected from the archives on later houses of prostitution reveals a high level of turnover. Nothing has survived on the social and professional background of these women in the nineteenth and early twentieth century. We know that former courtesans sometimes turned into madams after their short career had come to an end, but they represented a small fraction of that population. Although relations based on contracts ('leasing') did develop between madams and courtesans in the twentieth century, madams generally acquired the girls through purchase or kidnapping. In plain terms, most of the courtesans worked as virtual slaves during most of the period under consideration.[6]

The tiny community formed by the madam, the courtesan(s) and the servants constituted a 'family' which could operate autonomously (zhujia) in its own premises or within a collective house (dachanghu) which provided rooms and various services to a group of 'families'.[7] In the latter case, the madam and its courtesan(s) handled their business under the supervision of a manager, generally a man, towards whom they had contractual obligations. Men, therefore, were not completely absent from the stage although no particular importance should be attributed to managers. Their role was limited to providing an environment and they did not interfere with their tenants as long as they assumed their financial duties. Men could also be found in the role of guinu, a term of contempt which refers to the thugs employed for the protection of the houses against external or internal disorders. Many were simply the madam's lover or husband. Yet, they appear in all the sources as having enjoyed limited powers and influence on the management of the houses of courtesans. One should not exclude the male members of the secret societies who gravitated around prostitutes, although their influence did not become serious until the 1920s.[8]

Running a house of courtesans was probably not a smooth business. Competition was fierce and, at least until the end of the nineteenth century, patrons expected a quality of service and qualifications from these professional entertainers. Yet, limited capital could be turned into a profitable venture. The expenses incurred by the owners or managers of houses of prostitution varied according to the category of establishment. Most of the houses of prostitution or courtesans were established in houses or apartments that were rented from persons who generally had nothing to do with the trade that went on in their property. Sometimes, they were not even aware of it. This was one of the reasons why the vice committee of the
international settlement had the registers on which the name and address of
the landlords of all the houses of prostitution were recorded made public.[9]
The report this committee produced in 1920 noted that the rents paid by the
houses of prostitution were on average higher that those paid by ordinary
commercial establishments.[10] For the nineteenth century, I have found
only one reference, that of a house of courtesans which rented its premises
from a foreigner at a rate of 60 yuan a month.[11]

The rent was generally paid in advance for a whole season (4 months)
until 1925. Afterwards, it seems that a monthly rent became the norm.[12]
In the 1920s, the courtesans paid from 36 to 40 yuan for a room in a
collective house (dachanghu). In the French settlement, the amount of
money paid for the rent became one of the criteria for the classification of
the houses of prostitution into three categories in 1936.[13] For the first-
class establishments (nine out of 43), the range of rents was from 50 yuan to
197 yuan. These were probably the 'sing-song houses' or, in other words,
courtesans.[14] Since such houses could accommodate at least five to six
‘families’ – a madam, one or more courtesans and their servants – the
money collected from the inmates by the manager of the house largely
covered his/her own rent.

To set up a house of courtesans did not require a large capital. All that
was required was an initial sum of money to purchase or to rent a woman
and some furniture. The condition of the courtesans varied greatly according
to the status under which they had entered prostitution. They could have
been purchased and were therefore virtual slaves. They could have been
indentured by one of their relatives. Or they could work on a contract basis.
In the latter case, they received a basic ‘wage’ that depended on their
fame.[15] The young courtesans – those who were still virgin – were given a
lower rate since they did not provide sexual services and had a more limited
potential for attracting customers. A source of 1923 indicates that the
average amount was around 60-70 yuan per season. For those who were
indentured, the figures given seem disproportionately high in comparison
with those to be found in the police archives or in the press. For instance,
the amount given for a 6- to 7-year indenture was 6000-7000 yuan.[16] This
would have represented a considerable investment – and an unreasonable
risk – at a time when a young girl or woman could be bought for around
200 yuan.[17] Moreover, I have never come across an indenture of such a
long duration. Generally, the normal term was from 3 to 4 years.

It was also a common practice to rent the furniture from merchants
rather than purchase it.[18] Rent had the advantage of giving a greater
margin of mobility in case of refusal by the landlord to extend the lease, of
forcible expulsion, or the unexpected departure of the courtesan (marriage,
ilness, etc.) In 1899, a madam reported to the police the value of her stolen
furniture as 290 yuan.[19] By 1930-40, one needed 500-600 yuan to furnish
a room. To set up an individual house of courtesans (zhujia), however, the initial investment was not below 2000 yuan.[20] Besides furniture, lighting was another important expense item. Before the introduction of electricity, the houses used oil lamps. Since they maintained a high level of luminosity in their apartments, the consumption of oil was not negligible. Taken together, the houses of courtesans burnt around 150 litres of oil every day, not to mention the 5000-6000 candles that were lit for ceremonial purposes.[21] The last main item was the wages of the servants, although they only received a low basic wage that was supplemented by the tips left by customers (see later) and food. Usually the women and the servants were fed by the establishment that employed them. Except for random notes from prostitutes stating that food was average, even in the houses of courtesans, my data on this aspect start only with the 1940s. Obviously, the situation must have varied a great deal from one house to another and depended also on the status and fame of each courtesan.

In the French Concession, the houses of courtesans and of prostitution also had to take a licence and pay a fee every 3 months. The rate set for the courtesans is unknown for the early decades of the Concession. Table I gives an indication of the amount paid by the various categories of establishment between 1920 and 1943.[22] There was a regular though moderate increase in the early 1920s, while the later period was rather stable. From 1931 onward, however, new increases were introduced. Eight years later, the classification of the houses of prostitution was accompanied by a new tax structure. It did not change until 1941 when the authorities tried to offset the effects of inflation by doubling the rates.

The houses of courtesans were taxed at a much lower rate than the ordinary houses of prostitution. Even if each courtesan had to take an individual licence in addition to the licence paid by her establishment, the total amount paid to the administration was below the sum paid by the other houses of prostitution. By 1942, a house of courtesans had to exceed seven inmates for its annual fiscal burden to be slightly higher than that of a first-class brothel house. I have not come across any conflict between these establishments and the municipal administration on the issue of tax, except in periods of crisis, such as in December 1931, when the whole region was inundated by one of the worst floods in the history of the Yangzi.[23] In the International settlement, the payment of a licence fee was implemented only during the period of the policy of abolition between 1920 and 1924. The amount was rather symbolic (1-2 yuan). With the official recognition of the houses of courtesans by the Shanghai Municipal Council in 1924, a new tax regime was instituted. Only the houses were taxed, whatever the number of inmates.[24] By 1940, this fee was increased to 30-40 yuan per season. It was paid by the manager of the house, although its cost was passed on to the courtesans of the establishment.[25]
Table I. Licence fees for houses of prostitution in the French Concession (1920-43).

From this presentation of the expenses of the establishments, it is obvious that in spite of differences, the initial amount of money required for the installation and management of a house of courtesans was not considerable. When related to the revenue the madams and the managers garnered from the work of the women, running a ‘family’ or a collective house could bring a substantial income.

The Services and Revenue of the Houses of Courtesans

The houses of courtesans offered a variety of services through which they derived their revenue, even if the source of money — the customer — was unique. The first channel was the outside invitations (tangchait) to restaurants, tea houses and theatres, which occupied a large part of the courtesans’ evenings. Their price was drawn downward because of the competition between various groups of courtesans. In the nineteenth century, the rate was 3 yuan for a ‘mature’ woman and 1 or 2 yuan for a young one. If two of the latter came together, however, the customer was
charged the normal price. At the turn of the century, Wang Peilan, a famous courtesan, is said to have decided to lower the rate, which she thought was dissuasive, to encourage a greater number of invitations per evening. By 1901, one invitation cost only 2 yuan. The rate was lowered once more around 1913-14 to 1 yuan for a 'mature' courtesan and half a yuan for a young girl. For the customers who sent a large number of invitations each season (several dozens), the houses applied a 50% discount.

Whereas the ordinary brothel houses lived exclusively on the sale of sex, the houses of courtesans, and even the establishments of a lower category, drew the largest part of their resources from the banquets and gambling sessions that the patrons convened with or for their friends. Such activities were called uniformly a huatou. Although there was no fixed rule, the houses expected a regular patron to organise six to seven huatou per season, which meant as many banquets or gambling sessions. In the collective houses (dachanghu), there was a competition between the courtesans to achieve the highest number of huatou. The cost of dinners and banquets followed the evolution of prices, but it is not easy to determine to what extent. The houses used the expression huatou as an accounting unit (12 yuan), which can convey the impression that the rate did not change. Actually, for a banquet that was charged at 24 yuan in the 1930s, the houses of courtesans counted two huatou.

The organisation of banquets in the houses of courtesans was one of the prerequisites for being recognised as a good (trustful) customer with whom the women would eventually share their bed. Most of the time, a customer would invite three, four or half a dozen friends to spend the evening in their company. For one's birthday, it was not uncommon to invite more people. This highlights the centrality of these establishments in the social life of the Chinese urban élites and the lack of opprobrium that resulted from the patronising of these professional entertainers. The importance the courtesans attached to banquets varied according to the nature of the establishment. The collective houses (dachanghu) were eager to have more since the food was prepared by the house cook. On the other hand, individual courtesans (zhujia) preferred the gambling sessions since food was ordered from outside restaurants.

As noted earlier, the cost of a meal was 12 yuan by 1860. At the turn of the century, the Youxibao (the Entertainer) announced a raise to 13 yuan after an increase in the price of coal and rice. At the end of World War I, the cost is said to have increased to 18 yuan, including 8 yuan of tips. Another author writing in 1922, however, gave the figure of 14 yuan, including 4 yuan of tips. Since we cannot make the hypothesis that prices differed from one house to another — prices were fixed collectively and changes were announced in due form in the popular press (mosquito
newspapers) – the cost may have fluctuated and risen more sharply at certain periods like World War I. Finally, the ‘internal’ distribution of this tariff changed. Until 1925, it included a portion of tips which had lost their raison d’être afterwards, although they were still being charged. A guide indicates that a banquet cost 24 yuan in the 1930s. In 1940, the price had fallen back to 20 yuan.[35]

Besides the regular banquets that one had to organise to gain the esteem of a courtesan, the customers were solicited on the occasion of special days where, for fear of losing face, the house had to have one customer doing a huatou. These were, first, the three traditional festival days, duanwu jie (dragon festival), qiu zhong jie (mid-autumn festival), and the New Year. On each occasion, the patrons received small gifts when they came to pay their bill: pipa (a sort of small apricot) and puddings made of glutinous rice (jueshu) for the dragon festival, moon cakes and apples for the mid-autumn festival, and New Year cakes and oranges at the end of the year.[36] Customers had to reward the servants with a tip of 2-4 yuan, up to 10 yuan.[37] Apart from these three dates, opportunities were many: birthday of the courtesan, qing ming jie (festival of the dead), li xia (summer solstice), dong zhi (winter solstice), xuan juan (festival of the city god), and the two ceremonies of beginning and end of the season.[38] The courtesans actively mobilised to attract customers, especially those with whom they had a regular liaison.

The New Year, which traditionally was the period of the year when all debts had to be cleared, was more than the other days the time when the life of the houses reached their highest point. During the first 2 weeks of the year, the establishments offered to customers a tray of fruits, cakes, ham, chicken and fish (kai guopan). The customer, however, was not allowed to eat the fish, a symbol of prosperity.[39] Although there was no explicit tariff – the customer was supposed to give at will – he was expected to pay around 10 yuan in the nineteenth century. This price followed the evolution of the cost of living: it varied from 12 to 24 yuan by 1920, and from 20 to 45 yuan in the next decade, but it could reach higher levels (up to 100 yuan) in the more luxurious houses. Naturally, customers could avoid going to these establishments during this period, but they would appear as miserly.[40] The revenue from the New Year fruit tray was shared equally between the courtesan and the manager.[41]

Gambling, which was officially prohibited in the houses of prostitution and courtesans, also represented a major source of revenue. Each session (which could include several turns) was charged at a fixed rate of 12 yuan. The most common type of gambling was mah-jong, a kind of domino that requires four players. It is still widely played in China, especially in the South. Under the influence of the West, cards were introduced, especially poker. Since poker could accommodate more players (up to seven), the tariff
was doubled to 24 yuan.[42] It did not basically change since the rate was the same in 1940.[43] The houses drew a fairly large profit from gambling. Inveterate gamblers spent up to 100 yuan in one evening. There were also professional gamblers who practised in groups and preyed on naive players who were not familiar with the multiple rules and traps of these establishments.[44] A guide of the 1930s still warned customers against such crooks.[45]

The difference between banquets and gambling sessions was that, whereas the former was charged to the main host, each gambler paid his own contribution, even if the session had been called by one person. When a customer sent invitations to his friends to join him for gambling in a house of courtesans, he had no guarantee that his guests would be available or willing to come. To prevent this situation and avoid a loss of revenue, the houses instituted a system of tickets that those who were invited had to purchase. Even those who were present but did not want to play had to buy the tickets. The face value of each one was 3 yuan and it served to compensate for the absence or refusal to play by one customer. He was usually replaced by one of the courtesans. Sometimes, even when the proper number of gamblers came, the additional tickets were collected and added to the 12 yuan received from those present.[46] This arrangement was especially skillful since it forced each person who received an invitation to participate financially, even if he did not turn up. He was expected to send a servant with the 3 yuan for the ticket.

Such a system could work only because it was based on the subtle game of ‘face’. The friends of a customer could not refuse to participate for fear of bringing him disrepute and exposing themselves later to the same risk of defection. This mechanism had the effect of creating mutual obligations between people, who had to respond to the invitations of their friends. Once an individual was caught in such a system, he had no way out – unless he chose to lose face – and he could be lured to patronise regularly, although not deliberately, houses of courtesans. In the 1930s, this system was still in existence and the cost of a ticket had increased to 6 yuan. A clever use of the institution of tickets could allow a customer to gamble for free if he invited a dozen friends to cover the 24 yuan of a gambling session. The author who made this observation, however, added that one was never certain to see all one’s friends respond to the invitation and that the courtesans did not like to have so many guests at one time as it increased their operating costs.[47] It was better to go with five or six reliable friends or, if not, a few acquaintances and to pay for them. What mattered was to give face to oneself in the courtesan’s eyes.

The expenses directly related to sex were not necessarily important. The customers were expected to offer gifts to the courtesans they patronised, but there was no standard or schedule to respect. They had
some moral obligations, however, such as asking them to sing two arias of Chinese opera on the day of the courtesan's birthday or at some other festive days, and for which they paid 2 yuan.[48] When a customer was admitted for the first time to spend the night with the courtesan, he had to pay a hefty tip of 3-4 yuan at least, up to 12 yuan around 1911. Ten years later, the amount reached 30-40 yuan.[49] With the passing of time, the patrons of courtesans resented these expenses more and more when they could simply go to a hotel with a woman and avoid all these extras altogether.[50] Price increases are part of the explanation, but the change of attitude also reflected a new perception by customers. The status and role of the courtesans was dragged down in the overall process of transformation of prostitution, especially after World War I, with the emergence of competing groups (for instance, the taxi dancers) and the downgrading of courtesans into mere expensive prostitutes.[51] It was accelerated by the abolitionist policies carried out by the Shanghai Municipal Council of the International Settlement between 1920 and 1925, which displaced many of the houses of courtesans. When they were eventually allowed to reopen as 'bona fide' sing-song houses, customers were not permitted to stay overnight in their premises.[52]

It is difficult to assess the amount of money that was spent by customers in the houses of prostitution. A newspaper noted in 1901 that a man had spent 72 yuan in invitations (24 yuan), two banquets (24 yuan) and two gambling sessions (24 yuan) over a period of 10 days.[53] In 1924, a silk merchant spent 950 yuan in one evening with a group of friends.[54] The courtesans expected from a customer a minimal contribution that varied over time. In the 1930s, one had to spend at least 300-400 yuan per season to be considered a good customer and to be well treated.[55] This represented an average expense of 100 yuan per month, an amount which placed the courtesans beyond the reach of the largest part of the male population. To take just a few examples, a worker earned from 10 to 20 yuan per month. The wage of a police officer did not exceed 30-40 yuan.[56] The mayor of the Chinese municipality, who received the highest salary in the local administration, officially received only 675 yuan.[57]

The expenses related to prostitution in Shanghai represented considerable sums of money. In the absence of such sources as the accounting books of the establishments or customer registers, as in Japan, one can only give an approximate figure.[58] For the courtesans only, an author wrote in 1923 that on the basis of two invitations a day for the 1100 changsan and one huatou per day for one-tenth of them, the daily business turnover would be 4500 yuan, or 130,000 to 140,000 per month.[59] In my view, this is still a low estimate. An average of four invitations per evening is not exceptionally high.[60] This would represent a revenue of 4500 yuan a day. As to the huatou, even with a low estimate of one per day for one half
of the courtesans, receipts would amount to 6600 yuan a day. On this basis, more than 300,000 yuan were circulated each month in the early 1920s, not to mention the various extras and gifts. Another observer stated that the monthly revenue of the courtesans reached 800,000 yuan.[61]

These figures are a mere reconstruction and should be taken *cum grano salis*. They are based on random data and they include an element of subjectivity. I give them for what they are, i.e. crude indicators of the economics of ‘venal sex’ in Shanghai. By 1920, prostitution as a whole generated a business turnover that exceeded 4 million yuan a month.[62] This provided a living not only to the prostitutes and the courtesans, but also to a large population of servants, a multitude of shops and restaurants, and it contributed financially to the activities of the secret societies that ‘monitored’ this trade.[63]

The revenue of the courtesans themselves is almost impossible to establish. To have a precise idea, one would need to have first an estimate of the total revenue of an individual and then accurately reconstruct the various sums that were deducted. One should also take into account the form of organisation of the establishment (*dachanghu* or *zhujia*) and the status of the woman (bought, indentured or free). The sources and testimonies I have collected do not clearly distinguish between the house, the ‘family’ and the courtesan herself. Finally, the sources are contradictory on the modes and rates of distribution of money. Nevertheless, although the sources are not unanimous — they also reflect a complex and changing reality — it is possible to highlight this essential dimension of prostitution.

In the collective houses (*dachanghu*), courtesans were ‘rented’ or, in other words — it was generally implicit — they entered into a contract with an establishment that would pay them a ‘basic wage’ (*baotouxi*) during a season.[64] Beginners — courtesans who were still virgin — received 100 yuan while the more experienced ones could get 300-400 yuan.[65] Another source gives a lower rate of 60-70 yuan.[66] Moreover, the courtesans shared with the manager of the house the revenues from the *huatou* on a basis that was open to negotiations. Generally, the rate was 65-35% to 70-30% in their favour. They could negotiate a higher rate, but they had to assume a larger part of the house staff wages. Besides, they took a greater risk: at the beginning of each season, each courtesan contracted in a fixed number of *huatou* —100-200 for a season. If she failed to reach her goal, she had to pay a proportionate compensation to the house out of her own money for the loss of revenue.[67] These figures actually apply to the unit formed by the madam and her courtesan.

We have some details on this relatively complex mode of distribution of money. For each banquet that took place in her apartment — 14 yuan in the 1920s — the courtesan paid back 10 yuan to the manager. The benefit was quite substantial since the actual cost was no more than 4 or 5 yuan,
staff expenses included.[68] The rest, 4 yuan of tips, was distributed among the servants of the courtesan’s ‘family’. The courtesan herself received only 1 yuan.[69] In the course of a season, the manager of a collective house could pocket a substantial sum of money if the courtesans realised their contracted number of huatou. Thirty banquets — a low rate — would bring a monthly minimum of 300 yuan to the house. The sharing out of the revenue from gambling was just the opposite. The manager did not receive money from these sessions. Of the 12 yuan that were paid by the customer, the courtesan kept 7 yuan and the rest was distributed as tips among the servants of the courtesan (3 yuan) and those of the house (2 yuan).[70] If no customer came during the season, the courtesan had to pay 12 yuan to the manager as if six gambling sessions had taken place. This was the minimum number the inmates had to achieve during the season.[71] In the houses of individual courtesans (zhujia), the courtesan received 5 yuan from each huatou. The rest went to the madam and the servants.[72]

Invitations outside (tangchai) represented an important source of revenue for the courtesans, even if they had to give a part of this money to those who accompanied her (servant, musicians, rickshaw pullers). Some famous women received up to 50 or 60 invitations each evening, but most had to satisfy themselves with a more modest score. There is no way to determine an average figure. On a reasonable basis of 10 invitations, this generated a revenue of 10 yuan per day, or 300 yuan a month by 1920, and more in the previous period when these invitations were charged at 2 or 3 yuan. Obviously, the courtesans did not belong to the more deprived strata of society in economic terms, even if there was a wide array of revenues among them. An author wrote in 1940 that a famous courtesan garnered on average 1000 yuan per season, while the less famous ones earned from 100-200 yuan to 500-600 yuan.[73]

The Management of Revenues and the Circulation of Money

The largest part of the revenues was collected by the manager in the collective houses. The distribution of money to the courtesans and the staff took place at the end of the season when all accounts were settled or at the end of the month for some items. However, since money was needed for living, the system worked in such a way that a part of the money was immediately recycled. Thus, the courtesans kept the revenues from gambling, while their servants received their share of the tips immediately. The servants of the house, however, although they were entitled to a share of the tips, received it at the end of the season. If the courtesan was unable to reimburse the manager for the rent and the cost of the banquets, she had to leave her apartment to another courtesan. In particular, if she was on the first floor — the most valued location — she had to move to the ground floor.
where the risks of interruption by beggars or drunkards were higher. The
debts of one season were carried over to the next one.

In the houses of courtesans, an accountant toured all the apartments
every day and collected the sums of money that were due in relation to the
previous day’s operations (banquet, invitations), although the customer did
not pay until the end of the season. Everything was registered in a book and
each new operation was certified by the seal of the accountant.[74] In the
yao’er houses, when one of the servants shouted ‘shang zhang!’ (bring the
accounts), the servants of the prostitutes went to the accountant’s room to
register all the invitations and all the operations of the previous day. Each
prostitute had her own booklet on which the accountant reproduced the
amounts reported to him in the house register.[75]

The economics of the houses of courtesans relied entirely on
confidence since the sums owed by customers were paid at the end of the
season. This explains the precautions the courtesans took with new
customers and the rather complex process that preceded the full admission
to their house. In general, the courtesans preferred that a reliable and
regular customer introduce a new customer. Those who were patrons had
an account in the establishments that they went to frequently. Their name
and references were written down in a book where the accountant noted the
expenses incurred during the season for the invitations, the banquets and
the gambling sessions. At the end of the season, the house produced a
detailed bill that the customer could ask for at the occasion of a last
invitation or for which he sent a servant to the establishment.[76] The bill
could also be sent to the house of the patron, at least until 1914.
Afterwards, it seems that some customers expected more discretion because
of their wives. It was a sign of the evolution of gender relations in the
twentieth century. Women no longer accepted their husbands’ tours of
brothel houses. Payment was made in cash. The money was usually sent by
a servant who received a small commission for his service.[77]

The system, however, was not perfect. Some customers shunned their
responsibilities, out of bad faith or because of unexpected financial
problems. The courtesans’ means of pressure were limited. Nevertheless,
since they were considered as commercial establishments in the nineteenth
century, they could sue defaulting customers or call in the local authorities
as a last resort. A man named Xie Juncai had this bitter experience. When he
refused to pay a debt of 450 yuan to the courtesan Lu Rongquan, she sued
him. In spite of his protests, Xie was condemned to 50 strokes of the
bamboo, 5 days in jail and forced to reimburse his debt to the courtesan.[78]
With the customers who were locally known members of the élite,
the courtesans could play with their reputation by threatening to reveal the
name of the debtors in the mosquito newspapers. This method appeared at
the end of the 1890s. Although it was an effective lever, the result was
sometimes more damaging. A customer whose name and address had been published gave a serious thrashing to the female servant who was sent to his home to collect the money.[79] In the case of temporary residents, there was no way of tracing them if they left Shanghai without paying their due. In a collective house, the courtesan had to cover these expenses with her own money.[80]

The economics of prostitution in Shanghai was characterised by a permanent circulation of money because of the number and variety of intermediaries who had an interest in this trade and who all took a share from the cake (see Figure 1). All the categories of personnel had their own slot to collect a part of the money that circulated in the houses of courtesans.

The servants of the houses, those of the courtesans and of the managers, were the principal beneficiaries. The servants received a monthly wage of 3 yuan by 1890, an amount that remained unchanged 30 years later.[81] In fact, in the logic of the system, they drew the largest part of their revenue from the tips that were received automatically from the customers. It was a kind of incentive system. The servants had to be considerate with the customers so that the latter would give more generous tips. Since their fate was tied to the degree of success of the courtesan, they could also pressure her and impose conditions on her relations with customers. They would create obstacles for a customer who was not generous or affluent enough. The collective houses paid their staff at the end of each season with the total amount of tips that had been collected. Those of the courtesans received their due after each operation. In the houses of individual courtesans, the servants did not receive money from the banquets that were served to customers, but they charged a commission on the orders made to the neighbouring restaurants (15%) or to the wine shops (20%).[82] Finally, the servants and helpers (xiangbang) of the courtesan received three mao from each invitation (1 yuan in the 1920s).[83]

The case of female servants deserves a special examination. They received a monthly salary of 3 yuan in the 1890s and 5 yuan by 1940, to which was added their share of the tips, 10-20% according to the establishments.[84] While these servants were young girls in the nineteenth century, they tended to be older afterwards, especially after World War I; the more so as they also tended to work as prostitutes. The madam usually recruited several servants who served as 'secondary' prostitutes, while the fame of the house was supported by the 'main' courtesan.[85] This organisation allowed the house to satisfy the sexual demands of a proportion of the sometimes numerous customers of a courtesan, who usually had a sexual relation only with the best patrons or even with only one. In this case, the servant's reward was based on a percentage of the revenue of the 'family'.
Figure 1. The circulation of money in the houses of courtesans.
The calculation was done according to a system of shares (fen). One share was equivalent to 30 huatou. If these 30 huatou were achieved during the season, the servant received 10% of the revenue. Below that level, she was not entitled to any reward.[86]

For the New Year and at the end of each season, the house cook used to prepare a special dinner for each courtesan. It was originally composed of six courses costing 1 yuan each. In the 1920s, the number of courses was increased to eight or ten, while the price shot up since it cost at least 20 yuan. In the next decade, this dinner cost from 30 to 180 yuan.[87] If the courtesans did not want to pay for this service, they had to rely on their good customers and have one of them attend the special dinner. In the larger houses, the assistant cook also prepared a dinner. It was less expensive (5-8 yuan), but the cost was borne solely by the courtesan.[88]

The last category of people who lived on prostitution was the sedan chair carriers and their successors, rickshaw pullers, carriage or car drivers. Those who held permanent employment in the house received a low salary. For the New Year, the courtesans used to give them a symbolic sum called ‘straw sandal bonus’ (caoxietian).[89] Those who brought customers received a kind of commission. During the time when their permanent or occasional employer was in the company of a courtesan, they had to wait until the end of the evening. The customer paid them for the transportation, but since they had to wait, they received an indemnity for food (jiaofanzhang). This money was given by the houses of courtesans, which took the money from the regular tips required from customers. The procedure was a little complicated: the customer issued a note with his name and the name of the carriers, which he gave to the house of the courtesan. The next day, the carriers could come to get their money. The cost of this expense was borne half by the courtesan and half by the manager.[90]

The tariff was 400 wen (4 mao) in the nineteenth century. It was modified with the development of new modes of transportation. The rickshaw pullers received only one half of this amount (a sedan chair required two carriers), while the carriage drivers were given more consideration with 3 mao.[91] The rate was increased later in the twentieth century, from 4 to 8 mao, especially for the more prestigious categories of servants like car drivers and a new group, the bodyguards, who received the same benefit.[92] Moreover, to simplify the system of notes, a house of courtesans introduced in 1913 copper tokens bearing the name and the address of the establishment, as well as the characters jiaofanzhang. The other houses followed suit and gave birth to all sorts of copper tokens. In the beginning, they were produced by the houses themselves, then by the tobacco shops, and finally by the native banks. By 1920, they were replaced by printed tickets with the name of the houses of courtesans. Quite
interestingly, this fictitious money was used as small change by the shopkeepers in the courtesans' quarter.[93]

At the beginning of their career, when they had to purchase their expensive clothes or more simply to meet unexpected expenses (illness) or expenses related to their personal habits (opium), the courtesans had to borrow money from their house. Obviously, the higher in the scale of prestige, the more important the amount of money required. Except for those who were virtual slaves, the others had only a relative freedom because of the spiral of indebtedness. Among the courtesans, an initial loan of ‘installation’ (daidang) was imposed most of the time. The amount varied from 200 to 500 yuan among the changsan and from 100 to 300 yuan among the yao'er, a lower category of semi-courtesans.[94] For the other prostitutes, the loans were not so large. Nevertheless, because of the high rates of interest the houses charged, the loan had to be reimbursed within a short time or the courtesan could lose her independence. The indications I have found on the rate of interest are not uniform. In the 1890s, the annual rate was 40-50%.[95]

The courtesans also borrowed money from the staff of the house, servants, helpers, etc.[96] They resorted to this source when they were unable to get money from the madam or the manager. Generally, the financial conditions were even worse and such loans created relations of mutual dependence from which the women could hardly escape. They sometimes became the victims of blackmail or threat by the servants, who sought to extract more money from them. They could force the courtesan to receive customers other than the one who had her preference; they could create obstacles to the privileged relations of a courtesan with one customer, especially if he was not generous.[97] More rarely, the courtesans borrowed money from the Shanxi banks. I have found only one such instance in my sources.[98]

Money could also come from people who apparently had no direct involvement in prostitution. The Shen Bao reported a case of dispute about loans. Two individuals had lent 650 yuan to a courtesan, who had since then left the house where she worked. The two men presented themselves as relatives of the woman. In any case, they looked for the guinu (the madam’s lover) of the house to get their money back. The guinu first accused them of racketeering to defend himself. The court eventually condemned him to repay the debt on a fixed schedule.[99] The courtesans also borrowed money to regain their freedom, generally to get married or, for a few of them, to establish their own house. A woman who had received 500 yuan from two guinu 2 years earlier to get married (congliang) defaulted on her debt. Since they were unable to find the courtesan, the two guinu sued the madam before the court.[100]
Conclusion

Money is at the heart of prostitution. This is evident, whatever the period or the society. Nevertheless, the relation between money and prostitution can take various forms. In this regard, China offers an example that has no equivalent in the contemporary world. If common prostitution had no remarkable features, the institution of courtesans generated an exceptionally complex and subtle type of sex economy that even contemporary observers did not know in great detail and whose reconstruction poses sometimes inextricable problems of interpretation. In Shanghai the institutions of 'venal sex' handled considerable sums of money and must have ranked first in the entertainment industry. The houses of prostitution and courtesans were genuine economic entities that required a certain capacity for management, especially the more luxurious and larger ones. Such a capacity was not within the reach of many madams. This explains perhaps in part the existence of collective houses (dachanghu), which took care of most of the logistics on which the courtesans relied.

One of the most fascinating aspects of the economics of the houses of courtesans is undoubtedly the elaborate mechanisms for circulation of money. Although the source was unique — the customer — the distribution among the various categories who lived on the proceeds of prostitution followed apparently simple channels when taken one by one. Taken together, however, the image becomes immediately far more complex. This sophistication was due in part to the commissions or the tips that were perceived at various rates by the different members of the staff and by the persons (runners, carriers, musicians, etc.) who gravitated around the courtesans. Moreover, the subtlety of the system lay in the schedule of distribution, which provided to each group or individual (courtesans, servants, etc.) the money they needed for their subsistence, although it gave a definite advantage to the managers, who kept most of the cash until the final distribution at the end of the season.

Most of the literature that exists on the issue of the revenue of prostitutes, be it produced by contemporary writers or present-day historians, especially in China, depicts and denounces the extreme exploitation to which these women were subjected.[101] The madams are described as unscrupulous people who took most, if not all, the money the courtesans had earned. The reality that transpires from the sources is not so one-sided and requires a reassessment. In the houses of courtesans, the women indeed kept only a small part of the money they brought into their house. Nevertheless, they eventually earned much more than any other working women and many workers. It is true that this statement should be qualified to take into account the status under which they had come to prostitution (free, indentured, sold, etc.). Moreover, the sources I used do not distinguish precisely between the revenue of the courtesan and that of
the 'family'. Altogether, these revenues gave them the opportunity, when they were young and attractive, to live in a grand style and to enjoy living conditions far superior to those of most of their contemporaries. Many managed to save enough money to buy their freedom (tushen) and either work on their own account or hire young women and became madams themselves. For the vast majority, however, the career was by nature very short — by 20 they were considered old — and the main exit was through marriage as a concubine.

One of the most striking features of this construction is that it avoided a direct venal relation between the customers and the courtesans. First, money was never involved as a payment from hand to hand. Customers opened accounts as they would in any commercial establishment and received a bill at the end of the season. Second, although the actual and ultimate objective of a customer was to obtain the favours of a courtesan, he would spend most of his money on other items (banquets, gambling) than sex. Although wealthy customers could of course force the hand of the madam by paying more, it was not well received and could not lead to a good relationship with the courtesan. It did, however, become a more common practice after World War I when the courtesans turned more and more into expensive call girls. Finally, when valuable objects were involved, they took the form of gifts (for instance, jewels) that were part of the normal and expected game of 'courtship' customers had to go through to 'conquer' the favours of a courtesan. To some extent, the Chinese courtesans' system of circulation of money avoided the degradation inherent in the direct transfer of money for sex between the women and their customers, as was the case in the brothel houses of the West, including those patronised by the upper classes.

Notes

[1] An essential distinction has to be made here between a 'courtesan', as I use the term in this article, and a common prostitute. The main difference lies in the nature of the relationship with customers. Whereas a common prostitute usually accepted any customer who was willing to pay for a sexual favour, a courtesan was selective, she had to be courted and often established a sexual liaison only with one customer at a time. In other words, she had a control over her body that other prostitutes basically did not.

[2] The issue of the functions and the geography of the houses of courtesans has been studied by Christian Henriot (1995), Cortegiane, classe dirigente e spazio urbano a Shanghai, 1849-1919, Storia Urbana, 70, pp. 71-98.


By the 1920s, the most common term for courtesans was *changsan* (‘long three’). It was derived from a domino with two groups, three dots each. There was also a less prestigious and more accessible category of semi-courtesans called *yao’er* (‘one-two’), whose name also referred to a domino. In both cases, it referred to the fees these women charged for drinking with guests or for spending the night with them.

The social background of courtesans and the life of the houses of courtesans is the central topic of an article by Christian Henriot (1994), *Courtesans in late Qing and early Republican Shanghai (1849-1925)*, *East Asian History*, 8, pp. 33-52.

The houses of courtesans used the language of kinship (mother, uncle, sister one, sister two, etc.) in an effort to create pseudo family ties and conceal the relations of dependence that actually prevailed. Gail Hershatter (1997) has examined this issue in *Dangerous Pleasures: prostitution and modernity in twentieth century Shanghai*, pp. 75-76 (Berkeley: University of California Press).


Report of the Special Vice Committee (1921) in *Report for the Year 1920*, p. 253A (Shanghai Municipal Council, Shanghai: Kelly & Walsh).

*Shen Bao* (Journal of Shanghai; hereafter SB), 4 May 1899.

*Shanghai shenmi zhinan* (A Secret Guide of Shanghai) (n.d.), p. 3 (Shanghai: Datong tushushe jianyin).

Liste des maisons de tolérance enregistrées sur la Concession Française (1936), file 25, MS 1555 (Archives de la Direction des Services Administratifs, Secretariat, Concession Française).

By the 1920s, although the term courtesans — *changsan* or *shuyu* in local Chinese — was still in use, the women who worked in these establishments were no longer ‘courtesans’ in its nineteenth-century definition. They were no more than expensive call girls. On the evolution of this particular group of venal women, see Christian Henriot (1996) From a throne of glory to a seat of ignominy: Shanghai prostitution revisited, 1849-1949, *Modern China*, 22, pp. 132-163.

This particular form seems to have developed after World War I only.

17] Henriot, Belles de Shanghai, pp. 204-205.

18] Shanghai shenmi zhinan, p. 2.

19] SB, 4 May 1899.

20] Shanghai shenmi zhinan, p. 4; Haishang juewusheng (pseud.) (1940) Jinü de shenghuo [The Life of Prostitutes], p. 19 (Shanghai: Chunmin shudian).


22] The houses of prostitution were subject to a monthly tax that increased regularly in the early 1920s at a time when a large number of establishments moved into the French Concession to escape the policy of abolition of the Shanghai Municipal Council.


26] Shanghai lanyou zhinan, p. 4.


28] Shanghai lanyou zhinan, p. 4.


32] Chen Wuwo (1928) Lao Shanghai san shi nian jianwen [A Thirty-year Memoir of Old Shanghai], p. 78 (Shanghai: Dadong shuju).

33] Shanghai zhinan, V, p. 18b.

34] Wang, Shanghai liushi nian lai, p. 17.


36] Haishang yeyou beilun [Omnium of Licentiousness in Shanghai], III, p. 1; Shanghai lanyou zhinan, p. 2.

37] Zhang, Piao du baibi daguan, I, p. 10.
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[38] At the beginning and at the end of the season, the houses held two distinct ceremonies called kaizhang lutou (to open the account) and shouzhang lutou (to settle the account) respectively. Shanghai zhinan, V, p. 19.


[40] Huabao [The Journal of Flowers], mosquito newspaper, 6 September 1926; Shanghai shenmi zhinan, p. 21; Haishang, Jīnū de shenghuo, p. 9.


[42] Zhang, Piao du baibi daguan, I, p. 14


[44] In 1901 a group of eight professional gamblers was discovered by the police. They had won the substantial sum of 6000 yuan thanks to an arrangement with some brothel-keepers, who called them when a customer needed an extra partner for gambling. Xiaolinbao, 4 August 1902.


[47] The four players paid 24 yuan for the gambling session while the other guests bought one ticket each, i.e. 48 yuan. Altogether, the houses pocketed 72 yuan, the minimum sum a customer was expected to spend in the 1930s. On this amount, the main guest paid only 6 yuan. Shanghai shenmi zhinan, p. 10.

[48] Shanghai zhinan, p. 19; Wang, Shanghai guwen, p. 663.


[50] Huabao, 3 September 1926. Customers could also 'book' the services of a courtesan for their exclusive use. They had to pay for the number of huatou the courtesan had contracted for the season. In this case, she would respond to outside invitations, but she would not receive any customer in her apartment. Haishang, Jīnū de shenghuo, p. 103.

[51] On this process, see Henriot, Courtesans in late Qing and early Republican Shanghai, pp. 33-52.


[53] Xiaolinbao, 26 April 1901.

[54] SB, 6 January 1924.


[56] In 1930 the average annual revenue of 85 families of postal workers (five persons on average) amounted to 574 yuan and that of a hundred worker families (four persons) reached only 461 yuan. Herbert D. Lamson (1935) Social Pathology in China: a source book for the study of livelihood, health and the family, pp. 50-51 (Shanghai: Commercial Press).


[59] Shanghai lanyou zhinan, p. 10.

[60] 750 courtesans with two invitations (1500), 200 with five (1000), 100 with 10 (1000), 50 with 20 (1000). Total: 4500 invitations.

[61] The author makes the hypothesis of an average of five invitations and one dinner per day for each courtesan, or 20,000 yuan per day ([5 + 12 yuan] x 1204 courtesans). Wang, Shanghai liushi nian lai, p. 142.

[62] It is even more difficult to predict the revenue of the common prostitutes, whose number is hardly known. On the basis of an average of two customers per day for a population of 20,000 prostitutes, the monthly revenue would exceed 3.5 million yuan.

[63] As a comparison, the annual budget of the municipality of Shanghai (Shanghai shi zhengfu) in 1927-28 and 1928-29 was 3.4 and 4.4 million yuan respectively. Henriot, Shanghai 1927-1937, pp. 140-142.

[64] I do not have precise data on the ‘leasing’ of courtesans by the madams, but it seems it was a practice that developed after World War I.

[65] Haishang, Jinü de shenghuo, p. 23; Wang, Shanghai liushi nian, p. 15.


[67] Haishang, Jinü de shenghuo, p. 23; Wang, Shanghai liushi nian, p. 15.

[68] Ibid., p. 15.

[69] Ibid., p. 17.

[70] Ibid., p. 17.

[71] Shanghai shenmi zhinan, p. 7.


[73] Ibid., p. 64.


[76] Haishang, Jinü de shenghuo, p. 61.

[77] By 1940, the commission was 5 fen for each yuan, except for the famous courtesans, who were charged twice this amount. Haishang, Jinü de shenghuo, p. 64.


[79] Chen, Lao Shanghai, p. 77. Another form of violence the courtesans sometimes experienced was that of the relatives of their customers, such as the case reported by the Dianshizhai huabao. A courtesan was invited once to the home of one of her customers. Upon her arrival, she was received by the father of her customer who, although he was displeased by the expenses incurred by his son in her favour, at first received her in a courteous way. Once she was inside, he had all the doors closed and gave a severe beating to the courtesan with the help of his servants. The woman was saved thanks to the neighbours, who were alarmed by her screams. It was a terrible loss
of face, however, and she also lost her jewels, which the angry father confiscated in compensation for the money spent by his son in her establishment.

[80] Shanghai shenmi zhinan, p. 4.
[81] Haishang yeyou beilan (1891), I, p. 3; Wang, Shanghai liushi nian, p. 13, p. 20.
[83] Ibid., p. 15.
[87] Shanghai shenmi zhinan, p. 20; Haishang, Jinü de shenghuo, p. 10.
[89] Haishang, Jinü de shenghuo, p. 16.
[90] If she did not reach the figure of 10 customers, the share of the courtesan was reduced. Wang Jimen, Shanghai liushi nian lai, p. 18.
[92] Shanghai shenmi zhinan, p. 12; Haishang, Jinü de shenghuo, p. 12.
[94] Haishang yeyou beilan, II, p. 16.
[95] Ibid., II, p. 7.
[96] Haishang, Jinü de shenghuo, p. 27.
[99] SB, 18 September 1899; 27 September 1899.
[100] SB, 17 December 1899.