

# Contents

	<i>Preface</i>	page xi
	<i>Preface to the second edition</i>	xiii
<b>1</b>	<b>Preliminaries</b>	1
	1.1 The shadow's cause	1
	1.2 Fisher's genius and the randomised experiment	5
	1.3 The controlled experiment	11
	1.4 Physical controls and observational controls	13
<b>2</b>	<b>From cause to correlation and back</b>	17
	2.1 Translating from causal to statistical models	17
	2.2 Directed graphs	20
	2.3 Causal conditioning	23
	2.4 D-separation	23
	2.5 Probability distributions	27
	2.6 Probabilistic (conditional) independence	29
	2.7 The Markov condition	31
	2.8 The translation from causal models to observational models	32
	2.9 Counter-intuitive consequences and limitations of d-separation: conditioning on a causal child	33
	2.10 Counter-intuitive consequences and limitations of d-separation: conditioning due to selection bias	36
	2.11 Counter-intuitive consequences and limitations of d-separation: feedback loops and cyclic causal graphs	36
	2.12 Counter-intuitive consequences and limitations of d-separation: imposed conservation relationships	38
	2.13 Counter-intuitive consequences and limitations of d-separation: unfaithfulness	39
	2.14 Counter-intuitive consequences and limitations of d-separation: context-sensitive independence	41
	2.15 The logic of causal inference	42
	2.16 Statistical control is not always the same as physical control	47
	2.17 A taste of things to come	54



<b>3</b>	<b>Sewall Wright, path analysis and d-separation</b>	<b>56</b>
3.1	A bit of history	56
3.2	Why Wright's method of path analysis was ignored	57
3.3	D-sep tests	60
3.4	Independence of d-separation statements	61
3.5	Testing for probabilistic independence	63
3.6	Permutation tests of independence	68
3.7	Form-free regression	69
3.8	Conditional independence	71
3.9	Spearman partial correlations	74
3.10	Seed production in St Lucie cherry	78
3.11	Generalising the d-sep test	81
<b>4</b>	<b>Path analysis and maximum likelihood</b>	<b>87</b>
4.1	Testing path models using maximum likelihood	89
4.2	Decomposing effects in path diagrams	105
4.3	Multiple regression expressed as a path model	109
4.4	Maximum-likelihood estimation of the gas exchange model	111
4.5	Using lavaan to fit path models	114
<b>5</b>	<b>Measurement error and latent variables</b>	<b>126</b>
5.1	Measurement error and the inferential tests	127
5.2	Measurement error and the estimation of path coefficients	130
5.3	A measurement model	131
5.4	Fitting a measurement model in lavaan	140
5.5	The nature of latent variables	142
5.6	Horn dimensions in bighorn sheep	146
5.7	Body size in bighorn sheep	147
5.8	The worldwide leaf economic spectrum	149
5.9	Name calling	151
<b>6</b>	<b>The structural equation model</b>	<b>153</b>
6.1	Parameter identification	154
6.2	Structural under-identification with measurement models	155
6.3	Structural under-identification with structural models	159
6.4	Representing composite variables using latents	163
6.5	Behaviour of the maximum-likelihood chi-square statistic with small sample sizes	165
6.6	Behaviour of the maximum-likelihood chi-square statistic with data that do not follow a multivariate normal distribution	169
6.7	Solutions for modelling non-normally distributed variables	175
6.8	Alternative measures of 'approximate' fit	177
6.9	Bentler's comparative fit index (CFI)	180
6.10	Approximate fit measured by the root mean square error of approximation (RMSEA)	182



6.11	Missing data	183
6.12	Reporting results in publications	184
6.13	An SEM analysis of the Bumpus house sparrow data	185
<b>7</b>	<b>Multigroup models, multilevel models and corrections for the non-independence of observations</b>	<b>188</b>
7.1	Nested models	189
7.2	Dealing with causal heterogeneity: multigroup models	190
7.3	The dangers of hierarchically structured data	200
7.4	Multilevel SEM	210
<b>8</b>	<b>Exploration, discovery and equivalence</b>	<b>221</b>
8.1	Hypothesis generation	221
8.2	Exploring hypothesis space	222
8.3	The shadow's cause revisited	224
8.4	Obtaining the undirected dependency graph	226
8.5	The undirected dependency graph algorithm	228
8.6	Interpreting the undirected dependency graph	231
8.7	Orienting edges in the undirected dependency graph using unshielded colliders assuming an acyclic causal structure	234
8.8	The orientation algorithm using unshielded colliders	236
8.9	Orienting edges in the undirected dependency graph using definite discriminating paths	239
8.10	The causal inference algorithm	241
8.11	Equivalent models	242
8.12	Detecting latent variables	243
8.13	Vanishing tetrad algorithm	247
8.14	Separating the message from the noise	248
8.15	The causal inference algorithm and sampling error	252
8.16	The vanishing tetrad algorithm and sampling variation	257
8.17	Empirical examples	258
8.18	Orienting edges in the undirected dependency graph without assuming an acyclic causal structure	264
8.19	The cyclic causal discovery algorithm	268
8.20	In conclusion . . .	272
	<i>Appendix: A cheat-sheet of useful R functions</i>	273
	<i>References</i>	290
	<i>Index</i>	297