

1 We thanks the reviewers for the insightful comments and helpful suggestions. Please see below for our response.

2 **Reviewer 2:** Regarding [the baseline methods in the experiments](#): Original LiNGAM assumes that there is no confounder.
 3 So the issue is that it is not clear how to compare its result with the groundtruth graph (with confounders). For LiNGAM
 4 with latent variables (LvLiNGAM) by Hoyer et al. (2008), the confounders are assumed to be independent, making it
 5 impossible to discovery their connectivity. Nevertheless, we include the results of LvLiNGAM for comparison (Table
 6 1). For clustering methods, clearly, different assumptions for clustering will lead to different clustering results. K-means
 7 clusters are used to divide data points into groups, but in our case, we divide variables into groups.

8 **Reviewer 3:** 1. Regarding ["the setting is limited"](#): We totally agree, and at the same time would like to mention
 9 that linear latent variable models are common in the social sciences and ought to be more common in economics
 10 and elsewhere and that most, if not all, of the methods available for such problems have stronger (in one or another
 11 dimension) assumptions than the Triad method. 2. Regarding ["compare with latent tree algorithm"](#): Thanks for raising
 12 this issue. Generally speaking, they use the covariance information to recover the structure of the variables, ignoring
 13 non-Gaussinaity. Thus, our method can recover arbitrary DAG structure of latent variables, while the tree/latent tree
 14 learning algorithm can only solve the problems with the tree structure of latent variables the structures. We will include
 15 the results of three classic latent tree methods (neighbor-joining (NJ), by Saitou and Nei (1987), and recursive grouping
 16 (RG) and CLGrouping (CLNJ), by Choi et al. (2011)) in Table 1. 3. Regarding ["the algorithm is sound or complete"](#):
 17 The soundness and completeness of the algorithms were implied in the theoretical results, and will be made more
 18 explicit. In detail, Theorem 2 and Proposition 1 ensure the correctness of Phase 1 of our method (Algorithm 1), and
 19 Theorem 1 and Proposition 2 ensure the correctness of Phase 2 of our method (Algorithm 2). We will improve the
 20 presentation. 4. Regarding ["find an equivalent class or the true graph"](#): We are able to go beyond the equivalence class
 21 because of non-Gaussian of the data. we can uniquely recover the structure, including the structure over the latent
 22 variables, under our assumptions. 5. Regarding ["noise with fifth power"](#): Here, we set it to ensure the noise is clearly
 23 non-Gaussian. We also varied the powers and the results are included in the revised paper. Overall, we find that not
 24 surprisingly, the more non-Gaussian, the better the performance.

25 **Reviewer 4:** 1. Regarding ["are there a class of graphs that the present work would not be able to recover but previous
 26 methods would?"](#): There exist graphs following different assumptions from ours that can not recovered by our method.
 27 For instance, if the confounders are independent while the observe variables have directed edges in between, LvLiNGAM
 28 might be able to recover the graph, but our method cannot. However, under our model assumptions, there does not exist
 29 any graph that can be recovered by previous methods but not ours. 2. Regarding ["unclear to me if it is more general than
 30 ICA-type methods"](#): Yes, you are total right. It's not necessary more general than that—we allow direct causal relations
 31 between latent variables and rely on different assumptions. To the best of our knowledge, LvLiNGAM assumes that the
 32 latent variables are independent. 3. Regarding ["require a single latent common cause and no observed parents"](#): Here,
 33 our method can find the true graph under the purity assumption. As we discussed in our paper, if this assumption is
 34 violated, our method can still find an pure structure equivalent to the underlying causal structure. 4. Regarding ["clarify
 35 there is no direct causal relation between observed variables"](#): The latter is right, i.e., one cannot be a parent of the
 36 other. We will emphasize this point in the revision. 5. Regarding ["generalizing this method further"](#): Thanks for the
 37 interesting example. Definition 1 does not allow directed edges between two observed variables. We agree that it is
 38 nontrivial to generalize the method further, which we have been working on. 6. Regarding ["could it not be relaxed to at
 39 most one noise term is Gaussian"](#): Thanks for your insightful comments. Yes, this assumption can be relaxed to at most
 40 one noise term is Gaussian for observed variables, but not the latent variables. This can be seen from the proof, and will
 41 be discussed in the paper. 7. Regarding ["directed connected mean existence of a directed path"](#): Yes, it means directed
 42 path between L_a and L_b (there might be some intermediate variables in between). 8. Regarding [the replacement of the
 43 latent variable with an observed](#): Yes, it relies on the linearity assumption. Following your suggestions, we will explain
 44 why in the paper. 9. Regarding ["comparison against an ICA-type method"](#): Thanks for the helpful suggestions. Please
 45 refer to the explanation in lines 3-7.

Table 1: Evaluation of output latent variables (due to space limitation, only results on case 1 and case 2 are reported)

Algorithm	Latent omission					Latent commission				Mismeasurements			
	NJ	RG	CLNJ	LvLiNGAM		NJ	RG	CLNJ	LvLiNGAM	NJ	RG	CLNJ	LvLiNGAM
Case 1	500	0.40(3)	0.45(4)	0.45(4)	-	0.00(3)	0.00(4)	0.00(4)	-	0.40(3)	0.45(4)	0.45(4)	-
	1000	0.65(3)	0.55(1)	0.65(3)	-	0.00(3)	0.00(1)	0.00(3)	-	0.65(3)	0.55(1)	0.65(3)	-
	2000	0.65(4)	0.6(3)	0.65(4)	-	0.00(4)	0.00(3)	0.00(3)	-	0.65(4)	0.60(3)	0.65(4)	-
Case 2	500	0.35(2)	0.50(4)	0.40(3)	-	0.00(2)	0.05(4)	0.10(3)	-	0.46(2)	0.58(4)	0.53(3)	-
	1000	0.55(3)	0.65(3)	0.60(3)	-	0.00(3)	0.00(3)	0.00(3)	-	0.70(3)	0.77(3)	0.73(3)	-
	2000	0.75(7)	0.80(7)	0.75(7)	-	0.00(7)	0.00(7)	0.00(7)	-	0.83(7)	0.9(7)	0.83(7)	-