In theory, a protocol like Numerai would figure out an intelligent way to incent top performers–thousands compete on Kaggle for a small chance at large payouts, but no one is going to put forward their own money to make 3%, which is 1% more than a naive public model.

The current argument about Sybil resistance doesn't really fly–somehow every other machine learning platform has figured this out, and the best models win.

How hard would it actually be to, e.g. give out prizes within each tier of NMR staked (top model with more than 1 NMR staked, 10 NMR staked, 100 NMR staked, etc.). Why not reward actual Sharpe ratio or Sharpe * Corr–much harder to fake by taking on huge exposures–rather than Corr. It would seem any basic combination of these, requiring some

stake, using a volatility-adjusted return, or even longer-window prizes, solves this problem.

Absent that, it's hard to see why any serious data scientist would have any interest as yields collapse. (And Numerai can expect the quality of the 'signal' to degrade accordingly.)