In this world of financial and economic uncertainities, the obsolecence of Russia's infrastructure is showing weakness. Coupled with growing climate change, there is a need for pacified relations between Russia and Europe. It looks as if the worst has been avoided.

Russia possesses 18 percent of the world's reserves in gas, 13 percent in petrol; 70 percent of its export revenues and 30 percent of its gross domestic product (GDP) are based on hydrocarbons. And 20 percent of its gas is exported to Europe. But with the price of oil now below $90, standing at $80.54 a barrel (West Texas Intermediate) and at $85.68 (Brent Crude), coupled with a drop of 1.3 percent of Russian GDP in 2013 and with zero growth forecasted, it is clear that "the old system no longer functions," said Tatiana Mitrova.

Marc-Antoine Eyl-Mazegga from the International Energy Agency said that Russia grew at 6 percent until 2009 and then fell to 0.2 percent this year, per International Monetary Fund (IMF) data. Russia's gas production stands at 600 billion cubic meters, which is in decline. Novatek's production is up 1,000 percent and Rosneft is in expansion. But internal Russian market demand is in decline. Is this a good thing? Does this show that there will be a liberalization of the internal energy market? Will this lead to the creation of a gas hub in Russia? One major obstacle is insufficient storage facilities.

Indeed, it is not going to get any better as it is now difficult for the Russians to access investments due to the sanctions in force. No new additional sources of revenue can be developed. There is an absence of demand for hydrocarbons in the internal market and less demand for Russian products in the external market. The hydrocarbon deposits are old and the fiscality is high: 75 percent of the revenues are taxed by the state (for example, if a barrel costs $100, $75 goes to the state); in addition, there is a 30 percent exportation tax. Given the excess of gas available (150 billion cubic meters), the government has frozen the price.

Has Russia been fully impacted by the Dutch disease? If they raise the price, will they destroy demand? With gas approaching the price of coal, the production of the former will be slowed to maintain market price and market share of the former.

So where are the opportunities? In the face of European market stagnation, Russia is losing out in other markets, such as Uzbekistan and Turkmenistan, which are exporting abroad; Russia has lost the Ukrainian market of 14 billion cubic meters, but has conquered the Turkish market. There are new opportunities in China, in the Arctic and six new projects in far away zones, difficult to access, in difficult climates. But there are also several serious competitors in the market, such as Iran, Iraq and the U.S. What about Shah Deniz in Azerbaijan? Will it come on line at the cost of $48 billion and an estimated output of 49.5 million barrels? Will it be profitable? What about the future of liquefied natural gas?

Gazprom has a great margin of maneuver in its commercial policies and was able to agree on an energy package between Russia and Ukraine with a strong European broker in EU Energy Commissioner Günther Oettinger, reaching an agreement on a price of $268.50/1,000 cubic meters for future gas purchases. The outstanding Ukrainian debt of $3.1 billion is to be reimbursed in two installments. Ukraine can now buy the gas it needs without fearing its supplies being cut off; and Europe, which depends overall for 25 percent of its energy needs on Russia, can sleep easier. And Russia can also be satisfied knowing that this deal was an important step toward deescalating tensions and avoiding further sanctions from the European Union, which probably pushed Ukraine to accept the deal to deescalate tensions with Russia.

Former Polish Prime Minister and now President of the European Council Donald Tusk suggested forming a European collective organization to buy gas for Europe; but there is now a discussion to determine which price will be used in establishing the price for all the European countries — the highest or the lowest?

From a Russian perspective, and in the face of the sanctions, there has been a wake-up call, a sort of collective conscience for a rupture from the past, an internal consolidation around Vladimir Putin's government. In the past, Russian businessmen and businesses turned towards Europe, adopting their standards, opening up to business opportunities, but the idealism has given way to patriotism. One expert felt that Russians had opened up too much, communicated too much, which in turn exposed them to too many risks, both political and economic, which led to the EU/U.S. sanctions. These sanctions have in turn resulted in consolidating positions and businesses turning back to partnerships with the government.

That the Russian public is not aware of the EU/U.S. sanction against Russia is remarkable: Only 25 percent knew that Russia was under sanctions; only 32 percent knew that Gazprom was under sanctions; and only 23 percent knew that Rosneft was under sanctions. Forty-seven percent of Russians felt that these companies should be helped and 36 percent of Russians criticized the companies and said that they should not rely on the government but should stand on their own.

Despite the lack of public inforamation available, it seems that these sanctions have had a positive effect, consolidating business internally, and even turning out to be profitable as Russia turns to China. The government even named a spokesperson to communicate on Russian business with China.

The example was given of those states previously under sanctions and how they grew stronger and consolidated their social policies: Israel, South Africa, Iran. Russia is surrounded, like all of these countries, and its people are ready to change their priorities; businesses need to be more attentive to this shift and are prepared to turn inward and also toward China.