ABSTRACT
The development of R.O.C.'s aviation industry was to concentrate on military field in the past twenty years. Now the government has already formulated a set of well-defined programs and strategies, and hopes to efficiently integrate domestic resources so as to establish an autonomous domestic aviation industry. The objective of this study is to thoroughly investigate the current state of the international aviation industry and discuss the R.O.C.'s competitive position and SWOT analysis. Among the conclusions reached are as follows: 1. Because barriers to entering and retired this industry are extremely high, therefore the domestic industry's competitive position should be take into consideration, and favorable niches should be selected. 2. Because the additional value of products are extremely high, and should entrust it with the task of leading the development of a peripheral industry, it is worth committing resources by government to foster the development of a domestic aviation industry. 3. The competitive of international aviation industry has seen fiercely in the last few years. Major international firms including Boeing, McDonnell Douglas, and AVRO have sought to adjust their production capacity and enter into alliances, this will boost their competitive potential. 4. There is a great gap between the existing production capability of domestic firms and that of major international firms, it is necessary assigning priority to development tasks and nurturing core firms according to priorities. 5. Because of the asymmetry of power, a prudent "positioning strategy" should be adopted in negotiating future cooperative arrangements in order to obtain a share of resources and a better balance of power.

Keywords: R.O.C.'s Aviation Industry; Strategies of Development; Strategies