The purpose of this article is to reevaluate arguments that relate states’ power to the likelihood of interstate conflict, by highlighting the conditional effect of preferences on the relationship between power and conflict. Also, it examines whether the conditional role of preferences works differently at two different levels of conflict—militarized interstate disputes (MIDs) and War. With respect to the onset of MIDs, power disparity is likely to decrease the chances of conflict, and this pacifying effect increases as states’ preferences become similar. However, when states have very divergent preferences, this dissimilarity becomes a dominant factor in the process of conflict decision making and thus the pacifying effect of power disparity on MID onsets disappears. In fact, power disparity increases the chances of fighting. Meanwhile, when states make costly decisions of war, relative national capabilities become a significant factor in the decision of fighting, and preferences do not have conditional effects on the exercise of power. In this case, power disparity reduces the chances of fighting, regardless of the level of preference dissimilarity. In sum, this paper provides an explanation for diverse theoretical arguments and empirical findings in the previous studies of power and conflict, highlighting the relative importance of power and preferences at different levels of conflict.

KEYWORDS MIDs, power distribution, preference dissimilarity, war