TC Ministries

Equipping the Church for the Work of Ministry

Should Christians Buy ... INSURANCE

What Christians Believe Series

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- Why should I buy Insurance?
- Won't God care for all my needs?
- What about Faith?
- Can I have Faith and still Insure?

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SHOULD CHRISTIANS BUY INSURANCE?

Some years ago a young man asked me, "Christians don't need insurance, do they?" It was said in a tone of voice somewhere between question and statement.

He wasn't sure, yet his comment reflects an opinion held by some sections of the Christian community. If you share this young man's point of view you may want to read further and find out what the Bible actually says on this important topic.

The concept of insurance is based upon the principle of sharing one another's burden. When a group of people agree together to put aside a certain sum of money into a pool for protection against loss, whether that be home, car, or a life, they are effectively protecting themselves against major financial loss by sharing the burden with others. Under the presumption that not everyone will suffer loss in the same manner or at the same time, they are reducing the risk of losing everything by spending a much smaller sum of money called a "premium".

Insurance companies, or societies, are the natural progression of this concept, many formed originally by godly men and women seeking to help their fellow man.

If we choose not to use insurance to protect our valuable possessions, income or lives, we are effectively agreeing to carry the risk ourselves. This usually means the burden of loss may fall heavily on us at a time we are most vulnerable, and least able to find the resources to cope with such calamity.

Definition of Insurance

According to the **Oxford Shorter English Dictionary** insurance is "*the action or a means of insuring or making certain"*.

In its commercial application this becomes a contract where "*one party undertakes, in consideration of payment (called a premium), to secure the other against pecuniary loss, by payment of a sum of money in the event of destruction of or damage to property, ... or of the death or disablement of a person"*.

If we think about this definition, we soon find that while it is correct in so far as it goes, it falls short at one major point. It defines insurance only in terms of taking out a policy with an insurance company. The fact is that each one of us ***is*** insured, whether or not we have paid a premium! ***What do we mean by this?***

When we purchase insurance, whether on our home, car or life, we say to the insurer: "*You take the risk associated with this particular insurance. If I lose my home, car, or I die then you, the insurer, will bear the financial considerations which are bound up in this loss or destruction of life or property"*.

Everybody Insures

What is the alternative to locating the risk of insurance with an insurance company? Let's say I don't insure my car, and it is stolen or damaged. Who must pay for it? Surely I alone must bear the full financial responsibility for the loss?

And if it is my life which is destroyed, who bears the financial burden of the loss? Surely it is my family and dependants who must bear the full financial responsibility.

In other words, **insurance is an inescapable concept**. We are all "*insured"*, though we may not have taken out and policy with an insurance company. Each of us, whether we like it or not, have decided to locate the risk **somewhere**.

So, when some Christians assert "*Christians don't insure"*, we must understand they have misunderstood the concept of insurance. Christians **do** insure. What they are really trying to say is that "*Christians don't need to insure with insurance companies"*.

Some Important Questions to Consider

- What is wrong in locating the financial burden with an insurance company?
- Should my family be forced to take the financial burden of loss rather than an insurance company?
- Where is the logic in suggesting a Christian has some moral or biblical needs to take the **whole** financial burden for an insurable loss rather than spreading the risk through an insurance company?

In reality very few people choose to bear the burden of loss by themselves. If we don't have a life insurance policy, dependants bear the financial responsibility for the survivors, especially if the breadwinner is the one who dies.

There are very few indeed who could sustain such personal and financial loss without outside help. Unless their family is wealthy and willing to help out financially, they will usually call on one of two agencies to help them:

- ♦ The State through social welfare
- ♦ Charitable organisations or the local church

COMMUNITY COOPERATIVE

An insurance company is a true community cooperative in which all participants benefit. They certainly benefit with peace of mind, knowing they will not have to pay the full loss of the new motor car out of their own pockets. In the case of life insurance, where we know death is certain at some time, there is the added satisfaction and security in knowing the end benefit (sum insured) will be there to relieve the family and dependants should an untimely death or disability occur.

If it is prudent for Christians to protect themselves against misfortune by saving for rainy days, it is equally prudent to help themselves and their families through the cooperative support of an insurance company.

An insurance company permits a person to purchase adequate protection at a very reasonable price. It also provides an excellent means of distributing, and thereby limiting, the financial burden on others when someone suffers loss.

Christians have a threefold duty in connection with the things we are discussing:

1. We are encouraged to look after our own families and to provide for them.
2. We are to be good stewards of what God places in our hands, expected to use our resources wisely, increasing them where possible.
3. We are to love our neighbours as ourselves, and not impose upon them any unnecessary burden for our own welfare or that of our families.

Insurance companies help us fulfil these duties, with means at our disposal to protect ourselves, our families and our neighbours through shared risk.

"*If anyone will not work, neither shall he eat*" (2 Thess 3:10)

This passage teaches us an important biblical principle. We are expected to look after ourselves and are encouraged to have a responsible attitude to our needs.

We are responsible for our own food, and if we're responsible for food, we can extend the principle to other things in life such as a home, car, or retirement. Similarly we are also responsible to provide for those whom God has put in our care - our families. Put another way, most of us save for rainy days. Why? Because we believe it is prudent to do so, and because we believe we have an obligation to look after our own lives.

Unbiblical Faith

To suggest that buying insurance is unbiblical is a particular view of faith which bears questioning. It assumes that true faith does not use ordinary available means to limit loss. It assumes God will provide. But it is a denial of the other side of the coin, that of personal accountability and responsibility. True faith is exercised when we use ordinary means given to us by God to mitigate risk. To neglect them is to neglect true faith, for we are despising the things which God has given us.

How can biblical faith be understood? Imagine a farmer who said: "*This season I will not till the soil, spray the crops, or keep out vermin. I'm going to live 'by faith'. God will provide. If He wants me to have a bumper crop then it will be so.*" Perhaps an extreme example, but it illustrates the point.

"If anyone does not provide for his own, and especially his own household, he has denied the faith, and is worse than an unbeliever" **(1 Tim. 5:8)**

Worse than an unbeliever? Some think being an unbeliever is the worst thing! Yet here God declares that there is something worse: neglect of financial responsibility.

It would appear that taking out insurance should have a high priority. In this manner, the church can be freed to minister to genuinely poor and needy people so that it can reflect, through Christian charity, what He generously gave all.

WHO BEARS THE BURDEN OF LOSS?

It is easy to see that in times of major loss, the financial burden is not borne by the individual family but by the community. It may be possible for a family to find $25,000 for another car, but how many have $1,000,000, which is about what is needed to keep a family on a modest, indexed $50,000 income per year indefinitely. Many families will need more if a mortgage is involved.

Let's take a man of 40 years of age who dies and leaves a wife and three children, all of school age. Without life insurance protection the wife will have to take a full-time job and spend less time looking after the children; take a pension (which is usually insufficient to cover more than bare essentials) and supplement it with work; or depend on charity. With adequate life insurance none of these options become necessary. Same could be said if the shoe was on the other foot and the wife was the one who had died, or become disabled, needing care.

If the family is a member of a local church, is there an obligation on the part of the church to provide assistance to widows. Actually, the biblical expectation is to help **all** those in need. What about the person who loses a car through theft? Is there some obligation for the local church to provide assistance? How well-endowed, financially, is the church? Would you like your family to be dependent upon available church funds? I think we all know the answer to that question!

So, the fact is that all financial risks of life which confront us are already located somewhere. We either bear the financial burden ourselves in totality, or seek corporate or community relief in some form.

The purpose of an insurance company is the combined cooperation of people in bearing the burden of loss. It is a game of statistics, played on averages. The actuaries know, by studying mortality rates and accident rates the risks involved. They have no way of knowing for certain who is to die or have an accident, but they do know that a certain percentage of the population will, and when.

Insurance is a responsibility that is by and large affordable for most people, and which every believer should seriously consider as obligatory.