I recently tried to argue with one of my friends that a Christian cannot be possessed by a demon. Derek Prince says that he, himself was possessed by the demon of cancer.

Derek Prince, a false teacher, is a member of the shepherding movement (2 Pe 2:1).

A Christian cannot be indwelled by a demon. The apostle John wrote: He who is in you is greater than he who is in the world (1 Jn 4:4). Christians are indwelled by the Holy Spirit (Ro 8:9–11). The Spirit will not share the believer's body with a demon (1 Co 3:16). A Christian has been set apart for holy use (2 Tim. 2:20, 21) and holy living (1 Pet. 1:15).

A believer can be oppressed by a demon (e.g. when he one opens a door for attack [1 Tim. 4:1]). Recall, Job had a hedge of protection around him (Jb 1:9-10).

Christians should bring forth fruits befitting for repentance (Mt 3:8). John the Baptist warned: truly repent or perish (vv. 8-10).

Cancer is not a demon. Cancer is a disease. Because we live in a fallen world, men experience disease and death. Prior to the fall, this was not so. All was "very good" (Ge 1:31).