Reporter Freed in Indian-Data Case

Special to The New York Times

Washington, Feb. 15 - A Federal grand jury refused today to indict a Washington newsman [Leslie H. Whitten] and two Indian activists on charges of illegal possession of stolen Government documents.

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Lawyers close to the case suggested that indictments could have been obtained if there had been more vigorous prosecution by the Government. But, they said, the united States Attorney's office here was reluctant to press the charges because of a dislike within the Department of Justice for the acting director of the [FBI], Patrick Gray 3d, because Mr. Gray did not alert the Justice Department to plans for the arrests.

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